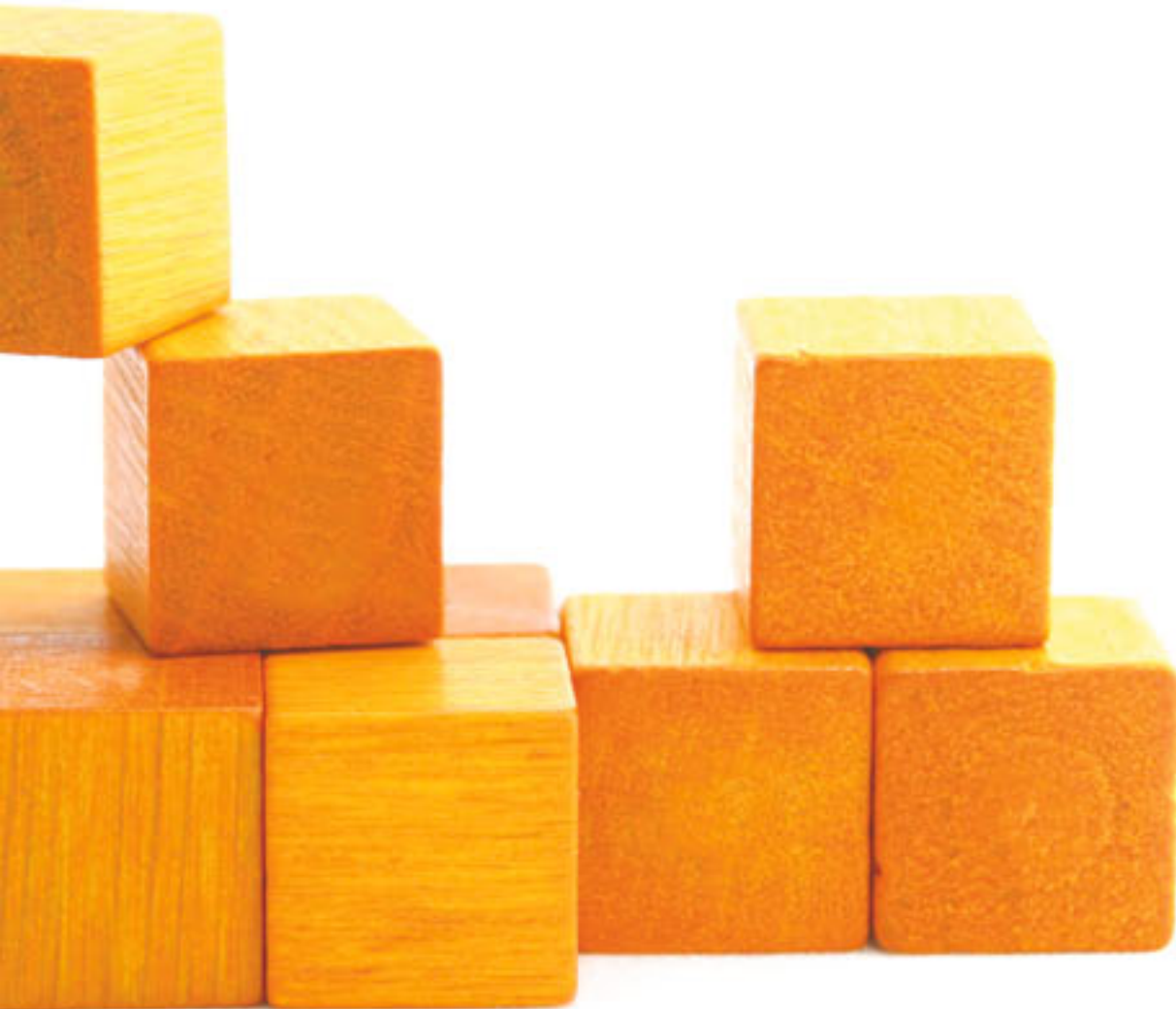


# Building Blocks?



An Investigation Into Building  
Schools for the Future

Katharine Quarmby, Anna Fazackerley



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## Foreword

New Labour has never wanted to do important things simply and directly. Everything has had to be a big idea clothed in a sweeping narrative. Having made the welcome decision to rebuild our schools, it rather spoilt it all by claiming this would transform education and raise standards. It could just have said that many schools weren't very nice places to be in and that it would find the money over a period of years to replace or refurbish them. The Government would then have been judged on whether the programme had kept to time and whether, especially in view of private finance initiatives, it was value for money.

But the Government's bold statements, encapsulated in the 'Building Schools for the Future' title, have invited people to look at the rebuilding with different eyes. What is a 21st century school supposed to look like? Does transforming a school mean anything more than putting in good IT? How exactly is rebuilding expected to improve standards? Beyond that there have been concerns that decisions have been taken not on the basis of need but to drive through Government policies; the Academies programme for example.

In short, the BSF programme has been crying out for investigation. It is not an investigation that has been welcomed by Partnerships for Schools, the delivery body. But Katharine Quarmby and Policy Exchange have fearlessly gone about their task of tracing the development of the programme and interviewing more than 50 senior figures connected with, and affected by, it. On the basis of the evidence they have uncovered, they reach some powerful conclusions and make positive recommendations. It is also a very good read.

**Professor Alan Smithers is Director of the Centre for Education and Employment Research at the University of Buckingham.**

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# Executive summary

## The Wrong Vision

In 2003 the Government committed itself to renewing, rebuilding and refurbishing the entire secondary school estate in England under the Building Schools for the Future (BSF) programme. It is thought to be one of the largest and most ambitious building programmes in the world and is likely to cost the taxpayer around £55 billion (up from the original estimate of £45 billion, when it was first launched). Tony Blair called it “the greatest school renewal programme in British history.”

There was good reason for the project. The Audit Commission had released a report in 2002, dubbing the school estate a “maintenance time bomb” and estimating that a backlog of at least £7 billion worth of repairs had built up. Problems included failing heating systems, rotting exterior woodwork, leaking roofs and poor toilet facilities – leading the Audit Commission to describe it as a “crisis”.

But the Government wanted something with a grander legacy than functioning heating, toilets and roofs. Rather than just repairing and replacing inadequate buildings, the redevelopment of schools was put forward explicitly as a means of improving educational standards. BSF would not just be about building – it would be about “educational transformation”.

Labour ministers have stated again and again that smart new buildings (such as the glass palaces we have seen in the academies programme) will raise achievement. Research suggests that it is certainly true that poorly designed and maintained buildings do have an effect on pupils and teachers. But the evidence for good design raising achievement is at best tenuous and at worst non-existent.

Moreover, neither the experts in the sector nor the bodies running the programme seem able to give a clear definition of what “educational transformation” actually means. This has caused considerable delays, as local authorities have struggled to define an aim that the Government itself does not seem to understand.

Almost all of our interviewees, even those who had written the educational visions of local authorities, struggled to define “educational transformation”. Some described it as a “swearword” and many others wanted the “t-word” banned. One, a senior figure in one of Britain’s largest construction firms, said that his company, after six years of BSF contracts, still did not have an organisational understanding of what “educational transformation” is and described it as “this mysterious transformation thing”. He went on to muse: “You know, I’ve heard people say that the most transformational thing they’ve seen are the toilets in Bristol”.

Given such opacity, it seems highly unlikely that this mission will be anything other than a failure. The resulting confusion is making a complicated programme even more unwieldy and expensive by fuelling a need for more and more advisers to enter the system.

This report recommends strongly that BSF should evolve into a straightforward building education estate fund that does exactly what it says on the tin, without the political hyperbole.

## Partnerships for Schools

Many local authorities as well as a large number of other senior figures working on BSF have expressed concerns about the role of Partnerships for Schools (PfS) - the quango charged with delivering the BSF programme. One described them as “marching round the country in their jackboots, telling local authorities what to do”. All our interviewees acknowledged that programmes delivering funding at this level needed scrutiny and accountability. Nonetheless, many felt that they were being micromanaged by PfS to an unacceptable degree given their track record in delivering local services with comparable or even higher levels of funding. One highly placed director of a company with a good track record in winning BSF contracts, previously a very senior figure in local authority governance, commented: “PfS would not trust a local authority to procure a bag of paper clips. That’s quite insulting.” Many interviewees were concerned about the “mission creep” by PfS, as it took on more and more responsibility from the Department for Children, Schools and Families (DCSF), with a number describing the body as “empire building”. What is more, we heard accusations of bullying from a number of local authorities and other well-placed sources.

“ This report recommends strongly that BSF should evolve into a straightforward building education estate fund that does exactly what it says on the tin, without the political hyperbole ”

Under our model PfS would become a pure procurement vehicle: a role it has shown it can perform well, although there is still considerable room for improvement. To fit this new role PfS could be folded back into the DCSF. Our preferred option is that PfS continues, but loses its powers to intervene in local decision-making around education policy. The value for money and general performance of PfS must be kept under close scrutiny. The new capital fund will be worth at least £16 billion over two years – and more if the college estates fund is added. This makes PfS a ‘super-quango’ and, as such, its powers and practices must be held to account. We are concerned by the extent of ill feeling in the sector about PfS, by accusations of bullying from a number of local authorities, and comments from a number of very senior people involved in BSF that the body is intent upon boosting its power and control.

## Information and Communication Technology (ICT)

Britain already led the world in the amount that is spent on technology in education. BSF has further embedded ICT at the centre of the education system, ring-fencing 10% of the sizeable budget for computers and other technology. We are concerned about the evidence for such a decision. The BSF programme has, essentially, bet £55 billion on two assertions: that good buildings raise academic standards and that ICT raises educational outcomes. Just as the Government has



failed to back up the link between buildings and achievement, so too has it failed to provide firm evidence that ICT raises attainment, and failed to provide good suggestions of how to change practice to support teachers using new technology in schools.

Becta, the Government's technology arm, is defining and refining what the role of technology should be in "educational transformation" this year. Considering the BSF programme with its massive investment in ICT was launched six years ago, it is astonishing that they have not thought to provide such a definition before. This lack of vision has left schools and local authorities in a quandary. They are, on the one hand, told that they have to spend 10% of their BSF budget on ICT, yet they are not given any suggestion of what that service should look like.

Given the lack of clear evidence that investment in ICT drives attainment, the Government's decision to ring-fence funding for technology in order to transform education seems premature at best. One thing that is perfectly clear is that simply throwing huge amounts of money at ICT, without embedding it into the BSF system in a thoughtful way and without ensuring that teachers can use it properly, will not deliver the sort of transformation that the Government is promising.

Another concern is that local authorities are expected to operate what is known as a "managed service", in which they partner with one ICT contractor across all of their schools. This one-size-fits-all approach to ICT is potentially harmful for education, driving out innovation. Some schools have been developing their own ICT systems and programmes, experimenting with innovations such as mobile technology. In such cases ICT is a critical part of changing the way they teach, and schools should be free to explore what works for their pupils. Some headteachers who have tried to opt out of the managed service but have been blocked by PFS are considering taking this to judicial review. PFS should ensure that the process of opting out is made more transparent and straightforward. In particular multi-academy sponsors must be able to opt out in favour of their own managed systems.

## Sustainability

When the BSF programme started in 2004, 'sustainability' was not part of its remit. That, however, has changed, as climate change has moved up the agenda and is now central to the BSF project. But whether the programme will deliver environmentally sustainable schools looks doubtful for many reasons. One of the key reasons for the difficulty in hitting the zero carbon target is the growing use of ICT in schools – a goal that, it seems, conflicts with the goal of sustainability.

ICT is being promoted by DCSF as central to educational transformation, as so much tuition migrates to the web. But the section within DCSF that promotes ICT is not considering the energy consequences of spreading ICT around a school. The outcomes of ICT, and its attendant need for mechanical cooling in server rooms and so on, are not being investigated. The energy cost and carbon penalties often come as a shock to the school, and a management nightmare to boot.

Detailed data collection on ICT use and rising energy bills in BSF schools should be made a mandatory part of the post-occupancy evaluations of new

schools. Local authorities commissioning new schools should outline how they plan to keep ICT equipment charged and usable throughout the school day. At the moment the drive for more ICT in schools conflicts with the drive for sustainability – all new schools are supposed to be ‘carbon neutral’ by 2016 but none of the experts involved in BSF seem to think this will be possible. This conflict between two worthy goals needs to be resolved.

**Given all of these concerns we believe strongly that the Building Schools for the Future programme needs to be fundamentally overhauled. To that end we recommend:**

- The BSF programme should be radically simplified. It should be a well-funded Building Education Estates fund, decoupled from so-called “educational transformation”. PFS should concentrate on its core competences, delivering good quality, fairly procured, educational buildings.
- PFS should continue as a procurement body but lose its powers to intervene in local decision-making around education policy. The new capital fund will be worth at least £16 billion over two years – and more if the college estates fund is rolled in. This makes PFS a super-quango and, as such, its powers and practices must be held to account. We are concerned by the extent of ill feeling in the sector about PFS, and by accusations of bullying from a number of local authorities. The accountability framework for PFS must be reviewed by the Government in the light of its enlarged function and powers.
- The ring-fenced budget for IT within BSF (10% of the total) should disappear and should be replaced by a “Creativity” budget which headteachers could spend in any way that boosts creativity in their school.
- Given that Britain is spending more than any other country on ICT in schools, and school libraries are fast being replaced by IT suites, an expert review panel should draw up recommendations on the role of technology in secondary schools. This review would look at technology’s part in a far wider “creativity” agenda. The role of music, books, drama and art should be considered at the same time.
- Detailed data collection on ICT use and rising energy bills in BSF schools should be made a mandatory part of the post-occupancy evaluations of new schools. Local authorities commissioning new schools should outline how they plan to keep ICT equipment charged and usable throughout the school day.

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## Methodology

This research report is based on interviews with more than 50 senior figures working on the BSF programme. We interviewed BSF managers, academics, practitioners, contractors, architects and educational consultants. We interviewed senior figures from ten local authorities (ranging in size from small to large) drawn from all six of the current waves. We also spoke to a number of current and former local authority experts who had worked at a national level. Finally we interviewed key personnel from the agencies involved in BSF, – PFS, 4Ps, Becta, NCSL and CABA.

Many of our interviewees had held a number of roles in the education system and so spoke from wide-ranging experience. Many of the private sector executives, for example, had previously worked as headteachers and a number of the local authority interviewees had worked on more than one bid, across waves, for more than one authority.

We were struck by the difference in tone between many of the Policy Exchange interviews and those quoted in reports by government agencies or commissioned by the Government. Broadly speaking our interviewees were more open about concerns with the programme. Many asked to contribute anonymously, so they could be freer to speak. Some explained that in the past they had feared that their funding might be jeopardised if they were critical publicly of a programme representing such powerful interests – and able to give either their local authority areas, or their firms, or their schools, much-needed investment.

In addition to the interviews, we conducted an extensive international review of the literature on the BSF programme, and of research relating to its core elements.

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# 1

## A brief history of BSF and other school buildings programmes

In 2003 the Government committed itself to renewing, rebuilding and refurbishing the entire secondary school estate in England under the ‘Building Schools for the Future’ programme (BSF). It is thought to be one of the largest and most ambitious building programmes in the world and is likely to cost the taxpayer around £55 billion (up from the original estimate of £45 billion, when it was first launched).

Britain has had a number of ambitious school buildings programmes in the past. The first one was in the Victorian era, following on from the 1870 Education Act, which created a vast building programme in elementary schools. The Victorian Tories and Liberals debated the point of education at length for twenty years between 1860-1880 and there was fierce competition between church and board (non-denominational) schools to assert their influence. Two forms of school dominated in the nineteenth century – the earlier single room school-houses were often adapted into bigger schools and, as schools became bigger, a typical board school design became that of a central hall with classrooms opening off.<sup>1</sup>

In both London and Birmingham, architects, politicians and educationalists debated and planned the new schools. E.R. Robson was the first architect of the London School Board and the best-known school architect in the UK during the decades following the 1870 Education Reform Act. He travelled throughout Europe and North America in search of pioneering schools, before publishing his influential book, “School Architecture”, in 1874. It became a key text, shaping the debate around school design in the late nineteenth century. He pushed for an English design for schools, “built on our own foundations”.<sup>2</sup>

Education was seen as a key lever for regeneration in other cities. In Birmingham, Joseph Chamberlain, a religious non-conformist and mayor, saw the building of board schools as part of a wider regeneration package for the city. He co-founded the Birmingham Education League in 1867 and pushed for free elementary schools, independent of the churches. His school building programme influenced programmes in other large cities, including Leeds, Sheffield and Manchester.

By 1873 fifteen new schools had been designed (in Birmingham) and built, “of the most durable description and constructed to the most modern models.”<sup>3</sup> As the programme expanded, some schools were at first housed in rented accommodation, but the Board pushed to build new schools wherever possible. The

1 Woolner P et al (2007), *School building programmes: motivations, consequences and implications*, University of Newcastle, see [www.cfbt.com/PDF/91078.pdf](http://www.cfbt.com/PDF/91078.pdf).

2 Robson ER (1874 1st ed.; 1972 2nd ed.), *School Architecture*, Leicester: Leicester University Press.

3 Stephens WB (1964), ‘Public Education: Introduction’, *A History of the County of Warwick: Volume 7: The City of Birmingham*, see [www.british-history.ac.uk/report.aspx?compid=22983](http://www.british-history.ac.uk/report.aspx?compid=22983).

schools followed a uniform design, comprising a central hall with adjacent classrooms. Tared playgrounds were also a feature. Even though the curriculum was basic, teachers were exhorted not to be boring and to avoid repetitive learning wherever possible. By 1876 some schools were teaching science, and by 1892 they were teaching cookery and woodwork.

Most Victorian schools do look strikingly similar from the outside, designed to show civic pride with their many flourishes and proud lettering announcing the date on which the school was built. Dudek, for instance, argues that one well-known architect of the time, Henry Kendall, considered the exterior far more than what happened inside, urging “the use of the gothic style, with little or no refer-

“Most Victorian schools do look strikingly similar from the outside, designed to show civic pride with their many flourishes and proud lettering announcing the date on which the school was built”

ence to the interior function of the building”.<sup>4</sup> This brings to mind the pioneer architects of the academy programme with their emphasis on glass palaces and airy, but functionless, atria.

Philip Robson, another leading school architect in the early twentieth century, built schools with large playgrounds, high ceilings and large

windows to encourage ventilation – a far cry from the city slums where so many children lived. But he also stressed the importance of the educational needs of the schools, not just the focus on a decorative outside. As Percy Dane, a political commentator, at the time warned: “Money to the tune of thousands is borrowed to erect a fine, ornamental structure, which is duly erected at double the cost of a neat, substantial structure.”<sup>5</sup>

### Post-war school building

Shortly after the Second World War came another building programme to provide schools fit for the children of returning heroes. A baby boom put pressure on resources, and Britain embarked on a more austere, 20-year programme to increase the number of primary schools. Secondary age children were temporarily accommodated in huts after the school leaving age was raised. Many of the schools built were constructed out of prefabricated parts and were light constructions, compared to the Victorian schools that had gone before. However, designers and architects did collaborate closely with educationalists in the design and construction of the new schools. Many problems have arisen since with such schools, however, such as faults with the flat roof and with the cheap cladding that the schools had on their external walls, as well as heating and ventilation issues. But, at the time, the schools were seen as innovative and flexible. The flat roofs, for instance, allowed for airy, light courtyards in which children could play.

Another debate also arose with the post-war programme – that of ‘open plan’ classrooms. Here the relationship between educationalists and architects was crucial in creating the designs for schools that still live on today. There had been sustained calls at that time, as there are today, for closer working between school architects and educationalists. But some teachers’ unions, most notably the National Union of Teachers, claimed that the idea of open-plan working was

<sup>4</sup> Dudek M (2000), *Architecture of Schools: The New Learning Environments*, Oxford: The Architectural Press.

<sup>5</sup> *BSF echoes Victorians' vision for new schools*, TES, 11th July 2008, [www.tes.co.uk/article.aspx?storycode=2647001](http://www.tes.co.uk/article.aspx?storycode=2647001)

advanced in order to cut costs in space per pupil. This was countered by architects, who retorted that they were working with cutting edge educationalists, who advanced team-teaching pedagogical practice (requiring bigger spaces and flow between large group teaching and individualised learning). Interestingly, like today, they were convinced that they needed to create schools that were extremely flexible to use – to the extent of designing, famously, a movable sink on wheels.<sup>6</sup> Mary Medd, an architect quoted in 1976, says it is necessary to “provide space and equipment for such frequently changing patterns of work and materials and...achieve a balance between small scale privacy for children and large scale exploration”.<sup>7</sup> The open plan spaces allowed teachers to take a number of children aside for small group work while another teacher taught larger number in a flexible space. These teaching styles are eerily similar to what is now called ‘personalised learning’.

To conclude, both the Victorian and post-war building programmes had their critics and their enthusiasts. The Victorian, brick-built edifices were solid, large, airy, and ultimately difficult to adapt because they were so substantial. The reaction to them – the lightly built, rapidly constructed post-war schools – were easy to change but had short life spans and were felt to be noisy and prone to rapid temperature change. Both had advantages and disadvantages. Both programmes ended up with standardised designs – despite the innovative thinking of many of the architects.

It is instructive to remember these historical precedents when talking about building our future schools. Trends shift over time, and often our most innovative ideas have done the rounds before without solving the enduring issues facing education.

## Building Schools for the Future

Then came the third great English building programme – BSF – which was launched in 2003 and formally began a year later. Funding in 2005-2006 stood at £2.2 billion, the same the following year and then rose slightly to £2.3 billion a year later. It was at first planned in 15 discrete waves of investment and authorities were prioritised according to a list of criteria. Wave 1 was devoted to relative educational and social need, deprivation criteria, strategic power, capacity, affordability and deliverability. However, since 2009 the criteria have shifted to prioritise readiness to deliver and the wave model has disappeared. The original plan was to renew all of England’s secondary schools. This has been somewhat watered down to “virtually all”.

So how did BSF come about? The Labour administration, after experimenting with Private Finance Initiatives (PFI) in health and to a lesser extent in schools, was looking for a new, big idea outside of the ‘standards and structures’ debate. Partnerships UK (PUK), the Government’s arms-length procurement body, suggested that the Government should look to refreshing the entire secondary schools estate, with roughly half of the building schemes financed through PFI. A former senior figure in PUK, credited by many for the idea, told us that the intention behind BSF was to “do school projects in a different way – no more pepper-potting, but instead thinking educationally what we needed across the estate, and bringing ICT into the picture too.”

<sup>6</sup> OECD (1976), *Providing for future change: Adaptability and flexibility in school building*, OECD: Paris.

<sup>7</sup> Mills E ed. (1976), *Planning: Buildings for Education, Culture and Science*, London: Newnes-Butterworth.

There was good reason for the project. The Audit Commission had released a report in 2002, dubbing the school estate a “maintenance time bomb” and estimating that a backlog of at least £7 billion worth of repairs had built up. Problems included failing heating systems, rotting exterior woodwork, leaking roofs and poor toilet facilities – leading the Audit Commission to describe it as a “crisis”.<sup>8</sup>

The Government took little time in adopting the scheme – but with one important exception.

The pre-cursor to BSF in the health sector, the Local Improvement Finance Trust (LIFT), had been billed and sold purely as a building programme. It was seen simply as a way of refreshing Britain’s mediocre primary health centres, not as a route to ‘transforming’ healthcare. But David Miliband, then an ambitious young education minister, wanted a grander legacy with the schools scheme.

That shift in the Government’s thinking was signalled in a speech Mr Milliband made in October 2002. Rather than just repairing and replacing inadequate buildings, the redevelopment of schools was put forward explicitly as a means of improving educational standards. He said that the Government’s aim going into the future was to “focus the Department on developing capacity at local level to change children’s lives, and devolve resources and power to local level”. Within that overall aim, he said: “On the capital side, it means moving from tackling the backlog of outside toilets and leaking roofs to put the £3 billion building and ICT budget, which will rise to £4.5 billion by 2005-06, at the service of educational transformation”.<sup>9</sup>

They were told to implement a policy of two words and to link it to Britain’s largest school building programmes since the Victorian era. One senior figure in public procurement explained the change thus: “We were just bureaucrats and he put a politician’s spin on it”. But, as many observers have pointed out, ‘educational transformation’ was never defined and it was unclear how it would be achieved through Britain’s largest ever building programme.

There was initial enthusiasm for the scheme – after all, most local authorities had not had a new school built for around 30 years and many of the lightly constructed, post-war buildings were falling apart. Tim Brighouse, a former chief education officer and now a leading thinker on education, was a supporter. “I had witnessed the fabric of school buildings getting worse and worse over 25 years, so many 1960s buildings had been thrown up and were collapsing, so I was delighted about BSF,” he said. He, like many others, thought that building improvement could kick-start something new: “Those who originated the programme could see that if you provided up to date facilities you could have a catalyst, a step change in what the schools might achieve. There was a new mood of optimism.”

Other opinion-formers termed the BSF programme part of the “spirit of the age”, when New Labour wanted to leave behind a legacy of improved public services – in their view, a riposte, in bricks and mortar, to the Thatcherite era. Toby Greany, at that time a key figure at the Design Council (now at the National College of School Leadership), casts it as “a political moment, in terms of the Labour second term, the overall investment in education and a millennial moment. There was the dot com bubble and a lot of interest in brain science, how children learn and the potential for children to learn in a different way, which met with the need for schools to impart knowledge in a knowledge economy.” Tony

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<sup>8</sup> Audit Commission (2003), *Improving school buildings: asset management planning in LEAs and schools*, [www.audit-commission.gov.uk/SiteCollectionDocuments/AuditCommissionReports/NationalStudies/Asset-Man\\_report.pdf](http://www.audit-commission.gov.uk/SiteCollectionDocuments/AuditCommissionReports/NationalStudies/Asset-Man_report.pdf).

<sup>9</sup> Miliband D (2002), *Speech on 8 October 2002 to the Conference of Independent/State School Partnerships in Brighton*, DfES press notice 2002/0185, access at [www.publications.parliament.uk/pa/cm200607/cmselect/cm-eduski/140/14005.htm](http://www.publications.parliament.uk/pa/cm200607/cmselect/cm-eduski/140/14005.htm).



Blair said of the scheme in 2004: “Over time this investment will see the entire secondary school building stock upgraded and refurbished in the greatest school renewal programme in British history.”<sup>10</sup>

Here crept in what Alan Smithers, Professor of Education at Buckingham University, terms “one of the terrible weaknesses of New Labour” – the love of a narrative. He explained: “BSF would have been valuable as a buildings programme. The Government could have worked out what the state of the buildings were, which ones needed knocking down. It was a bold enough commitment to improve the buildings stock, but that wasn’t enough. Instead, they wrapped it up in this speak – New Labour’s obsession with narrative”.

Labour ministers have stated again and again that smart new buildings (as with the academies programme) will raise achievement. Research suggests that it is certainly true that poorly designed and maintained buildings do have an effect on pupils and teachers. But the evidence for good design raising achievement is at most tenuous and at worst non-existent.

Newcastle University’s School of Education has carried out several studies looking at school building programmes and what the link is with achievement. Dr Pamela Woolner, who led the study, agreed that there is a clear link between poor buildings and poor achievement. Having said that, Newcastle University’s studies have been unable to find a link between raised standards and high quality buildings. Dr Woolner said: “When you completely overhaul the school you’ve altered so many things beyond the building and that is good and probably makes it more likely to succeed, but it does confuse the issue of trying to look at what the impact of the building is.” The multi-factorial complexity of raising school standards is echoed by recent research carried out by PriceWaterhouseCoopers (PwC) for the Government in its first evaluation of BSF in 2007.<sup>11</sup> Following a review of the literature in the US and the UK this report concluded that, while there was a clear negative impact of poor design on attainment, the claim that good design brings benefits needed to be tested further in the BSF programme because the causality could not be proved. Other factors affecting attainment are, unsurprisingly, school leadership, pedagogical factors, socio-cultural factors and the curriculum. Its second evaluation, published in January 2009, reinforced this view: “In the statistical analysis of the impact of capital expenditure on pupil attainment, our results mirror the existing literature in not finding a strong correlation between the two. The results as a whole suggest a positive impact of capital on attainment, but the magnitude is likely to be very small. We also found evidence for considerable diminishing returns to capital investment.”<sup>12</sup>

An exhaustive report for the Design Council echoed these findings.<sup>13</sup> It found “clear evidence that extremes of environmental elements (for example, poor ventilation or excessive noise) have negative effects on students and teachers and that improving these elements has significant benefits. However, once school environments come up to minimum standards, the evidence of effect is less clear-cut. Our evaluation suggests that the nature of the improvements made in schools may have less to do with the specific element chosen for change than with how the process of change is managed.”

Even so, despite the lack of evidence, the Government pushed on in the hope of capturing heightened achievement through the biggest school building programme since the Victorian era.

10 Available from Number 10 (14 May 2004), *Building Schools for the Future factsheet*, [www.number10.gov.uk/Page5801](http://www.number10.gov.uk/Page5801).

11 PricewaterhouseCoopers (2007), *Evaluation of Building Schools for the Future: 1st Annual Report*, [www.teachernet.gov.uk/\\_doc/12318/BSF%20Final%20Report%20December.pdf](http://www.teachernet.gov.uk/_doc/12318/BSF%20Final%20Report%20December.pdf).

12 PricewaterhouseCoopers (2008), *Evaluation of Building Schools for the Future: 2nd Annual Report*, see [www.teachernet.gov.uk/\\_doc/13240/2ndannuareport.pdf](http://www.teachernet.gov.uk/_doc/13240/2ndannuareport.pdf)

13 Higgins S et al (2005), *The Impact of School Environments: A literature review*, University of Newcastle, [www.ncl.ac.uk/cflat/news/DCReport.pdf](http://www.ncl.ac.uk/cflat/news/DCReport.pdf).



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# 2

## Implementation and its discontents

The BSF programme promised to renew, refurbish or refresh every secondary school in England and Wales over fifteen years between 2005 and 2020. The plan was to entirely rebuild half of the school estate, remodel 35% and refurbish 15%. 10% of the budget was ring-fenced for providing better ICT facilities. Partnerships for Schools (Pfs), the body charged with delivering the programme, was created by the Department for Children, Schools and Families in 2004. In the launch document for BSF, the Government explained that the programme would be run in harmony between national and local government: “We are working to establish a national body, Partnerships for Schools, which the Department will manage jointly with Partnerships UK, with the participation of 4ps (Public Private Partnerships Programme), to co-ordinate the national delivery of the programme and provide support for LEAs.”<sup>14</sup> (The involvement of 4ps will be discussed later in the report, as will the changing and growing role of Pfs.)

The aims of the programme were to improve attainment by creating environments that supported modern teaching. The Government wanted those buildings to be shared by local communities. It also wanted BSF to be used as an opportunity to reorganise secondary schools and create more diversity, such as more academies and specialist schools. It also wanted more involvement of the private sector in partnering with local authorities through the use of Local Education Partnerships (LEPs). Furthermore, it wanted around 50% of all new school buildings to be secured with PFI credits. According to the National Audit Office, the cost of the programme has risen from the original estimate – £45 billion – to between £52 and £55 billion – and accounts for almost one quarter of England’s expenditure on school buildings.<sup>15</sup>

That said, the programme soon ran into difficulties – particularly in three areas: procurement, consultation and design.

### Procurement

The original aim of the BSF programme was to deliver funding to all local authorities in 15 separate ‘waves’ spread over 15-20 years. There were four phases to the approval process:

1. An ‘education vision’ had to be created by the local authority (into which schools had input)

14 Department for Education and Skills (2003), *Building schools for the future: a new approach to capital investment*, [www.teacher-net.gov.uk/\\_doc/6094/BSF%20Public%20Launch%20Document%20Feb%202004.pdf](http://www.teacher-net.gov.uk/_doc/6094/BSF%20Public%20Launch%20Document%20Feb%202004.pdf).

15 National Audit Office (2009), *The Building Schools for the Future Programme: Renewing the secondary school estate*, Report by the Comptroller and Auditor General, HC 135 Session 2008-2009, [www.nao.org.uk/idoc.ashx?docId=79b67cc5-c157-4e66-a525-a5c24108c77b&version=-1](http://www.nao.org.uk/idoc.ashx?docId=79b67cc5-c157-4e66-a525-a5c24108c77b&version=-1).

## BSF – A Summary Timeline

Building Schools for the Future was launched by the Government in 2003 as a new approach to capital investment in school buildings in which all English secondary schools would benefit from being rebuilt, refurbished or upgraded.

Fourteen local authorities were asked to take part in the Government's first 'wave' of the BSF programme. The plan was to provide "learning environments" fit for 21st century children – the main buzzwords being "personalised, inclusive and flexible". BSF was also supposed to support 14-19 arrangements, extended hours, more community use and a far greater use of information technology – all in the service of "educational transformation".

The programme started building schools in 2004 and was supposed to finish by 2020, providing around £45bn of investment. Local authorities were organised into 15 'waves', with the first six waves being chosen according to a set number of criteria, including deprivation, 'capacity to deliver' and 'building need'.

The programme hit delays almost immediately. By the end of 2007, 100 schools should have been built – but only one, Bristol Brunel, was open. It is now estimated that the programme will conclude in 2023 – or as late as 2025. The estimated cost has risen to between £52-55bn.

The funding system has also changed. After wave 6 is concluded, local authorities will be chosen on a rolling basis, selected primarily on their 'readiness to deliver' rather than on building need or deprivation. At the time of writing, no firm announcement on timing for the local authorities selected under the new system has been made.

2. A 'strategic business case' was constructed
3. An 'outline business case' was put forward
4. Once the competition was over, a preferred bidder chosen, a LEP or other vehicle starts to run the scheme.

From wave 4 onwards, the education vision and business case were merged into a 'Strategy for Change' document.

Local authorities are allocated a slot in a wave, and currently the first six are fully allocated. A list of priority councils has been released, but contractors do not know which authorities will enter in each wave. The announcement was due in April 2009, but the Budget report in March 2009 created uncertainties, saying that local authorities would enter BSF "in line with available resources".<sup>16</sup>

Local authorities have several stages to go through before they can go to the market. PfS has project directors and specialist education directors to advise them as well as standardise their documentation. To start with, the local authority has to work out its overall educational vision. Once it has organised this into a business case, it is ready to go to the 'market' for procurement. The standard form of procurement is known as a local education partnership (LEP). This can cover just one local authority area or smaller local authorities can club together (the latter remains relatively uncommon). The idea is that the local authority partners with a specialist provider who then builds the schools, including the IT provision, over a number of years. Specialist providers bid for a LEP by submitting two sample school designs; these are accompanied by a competitive dialogue process that whittles the original bidders down to the final two who subsequently present their formal bids.

16 HM Treasury (2009), *Building Britain's Future*, see [www.hm-treasury.gov.uk/bud\\_bud09\\_re-pindex.htm](http://www.hm-treasury.gov.uk/bud_bud09_re-pindex.htm)

The procurement process outlined above is lengthy and tedious for local authorities and senior teachers. Apart from the consultation criteria (discussed later), headteachers have not only to think about their vision for education now, but what it should be in the future – they need to think about curriculum change, teacher training, changing class sizes, personalisation and so on. Regrettably, there is no extra money for them to do all this within the BSF budget, although some local authorities have ring-fenced money for them to be freed to do such work.

Moreover, local authorities are not used to creating private sector partnerships in the form of LEPs. It is an untried and untested model. Even though many found the involvement of 4Ps (the local authority advisory body on public private part-

nerships) in that process extremely useful, the role of 4ps has recently been watered down by PfS, as will be explained later in this report.

Contractors have also complained (and continue to do so) that the bidding process is too long and onerous and that they have to produce detailed designs, engage with schools and local authorities and pay for advice and can

then lose the bid – costing them as much as several million pounds.

After a review of the BSF procurement policy by PwC in February 2008 was critical of the process, PfS changed the bidding mechanism by reducing the number of bidders from three to two earlier in the competitive dialogue process.<sup>17</sup> Moreover, each bidder now has to design two sample schools as part of its bid rather than three or four, as was previously the case. PfS estimates that typical bid costs have since been cut from £10.4 million to £7 million as well as reducing the time taken to set up an LEP from an average of 82 to 75 weeks

However, in an influential report published last year, *More than Bricks and Mortar*, the CBI concluded: “Serious criticisms around procurement and its links to delays in the BSF programme remain.”<sup>18</sup> Its survey of CBI members found that the costs of bidding were prohibitive and the costs of setting up a LEP were also too high.

The general feeling in the sector is that the recent changes to the bidding process, while welcome, do not go far enough. It remains costly, time-consuming, bureaucratic and hugely risky. One well-known architect, who has worked successfully on a number of high-profile bids for BSF schools, described the initial procurement and design process (which remains largely unchanged) as similar to “speed-dating”. He gave a telling description of a typically frustrating bidding process:

“We’re given these sample schools with which to engage and you have a couple of hours every fortnight for probably five or six times and over that period you have to engage with them, find out what they want, get really far down the line in developing the idea, but not engage with them fully because it’s a competitive scenario, they can’t reveal all their cards, so they don’t want to give you any good ideas, and you never really know if they like what you’re doing. But what is frustrating is that because design is only a small part of the process you have a fantastic relationship with the school, they want you, and yet your bidding consortium doesn’t win because of all the other things.”

“ The general feeling in the sector is that the recent changes to the bidding process, while welcome, do not go far enough. It remains costly, time-consuming, bureaucratic and hugely risky ”

17 PricewaterhouseCoopers (2008), *Building Schools for the Future Procurement Review: Partnerships for Schools*, see [www.partnershipsforschools.org.uk/documents/Press\\_Releases/BSF%20Procurement%20Review%20Final%20Report%20May%202008%20Executive%20Summary.pdf](http://www.partnershipsforschools.org.uk/documents/Press_Releases/BSF%20Procurement%20Review%20Final%20Report%20May%202008%20Executive%20Summary.pdf).

18 Moran T (2008), *More than bricks and mortar*, CBI, [www.cbi.org.uk/pdf/CBIBuildingSchoolsfortheFuturebrief.pdf](http://www.cbi.org.uk/pdf/CBIBuildingSchoolsfortheFuturebrief.pdf).

There seems little doubt, based on our interviews, that the procurement process is wasteful and that the costs (which, it should be remembered, cannot be recouped) are prohibitive for many firms. Further reform is clearly needed.

### Private Finance Initiative

Further problems have been encountered with the use of PFI supposedly to fund around 50% of the new schools. According to the Royal Institute for British Architects (RIBA) the experience of architects – backed up by the Government’s design watchdog, CABE – is that PFI projects are delivered on time and on budget but often have poor design quality. Ewan Willars, the BSF lead for RIBA, argued that the procurement process was not only ‘not design-friendly’, but also slow, with wasted bid costs, duplicated work and high risk.

Similar concerns have been highlighted by the Select Committee for Children, Schools and Families. In its first report on BSF, published in August 2007, the committee said that there were “risks in using PFI as a method of funding, particularly the ongoing revenue costs for local authorities”.<sup>19</sup> The long-term nature of PFI contracts can be inflexible and it has been difficult to renegotiate those contracts if the schools built with PFI credits are no longer necessary. The Select Committee cited three instances where three schools built with PFI credits have closed for a variety of reasons, such as surplus places, leaving the taxpayer with million of pounds of compensation due to the firms that built them.

One possible way forward on the PFI front would be to promote what has become known as ‘Smart PFI’. The premise of this new model, which has been advanced strongly since being developed by RIBA four years ago, is that the client produces a clear “concept design” which tests and refines the brief for the task.<sup>20</sup> In the case of schools, this means that the local authority works out what it wants before engaging with bidding teams. So, before bidding teams are involved, the client (the local authority and schools) work out a brief about the school, how the school is organised or might be organised in the future and applies it to the actual site. This can also involve pupils, teachers, parents and governors before teams bid for the actual work.

RIBA believes that this would reduce pressure on educationalists and would mean that the current duplication of effort by bidding teams in the early stages could be avoided. It would create a more detailed brief and more certainty on affordability issues while reducing both bid costs and delays in the system. Another very appealing benefit is that it would create school designs that are led far more directly by the schools as opposed to the schools having designs foisted upon them by bid teams.

In the current PFI system (even after the limited reforms enacted by Pfs) three bidders are reduced to two after 29 weeks, but the last two carry on competing for another 40 weeks. This model duplicates their bid costs, wastes detailed design work (one out of two designs is rejected) and results in more work for schools and local authorities, who subsequently have to manage double the visits that they would have under Smart PFI because they need to accommodate two bid teams. The bid costs that contractors accrue eventually land back on the public purse, as many interviewees explained, so reducing them upfront would be a welcome innovation.

<sup>19</sup> Education and Skills Select Committee (2007), *Sustainable Schools: Are we building schools for the future?*, Seventh Report of Session 2006–07, p 25, [www.publications.parliament.uk/pa/cm200607/cmselect/cmeduski/140/140.pdf](http://www.publications.parliament.uk/pa/cm200607/cmselect/cmeduski/140/140.pdf).

<sup>20</sup> RIBA (2006), *Smart PFI: position paper*, [www.architecture.com/Files/RIBAHoldings/PolicyAndInternationalRelations/Policy/SmartPFI/SmartPFIPositionPaper.pdf](http://www.architecture.com/Files/RIBAHoldings/PolicyAndInternationalRelations/Policy/SmartPFI/SmartPFIPositionPaper.pdf).

RIBA claims that if Smart PFI was used in BSF, the overall procurement process could be reduced by around six months and bid costs cut by around £1-2 million each.

The model is being used with success in Northern Ireland to rebuild much of its health estate. John Cole, Chief Executive of the Health Estates, Northern Ireland, who is also an architect, explained the disadvantages of the conventional PFI model to Policy Exchange: “Competitive worries mean that even when you present contractors with a basis design, companies will duplicate the effort and cost by creating new versions, because they believe other firms are doing this too”. Another obstacle is that under the competitive dialogue rules it is not possible to revise designs after the preferred bidder has been selected. Only “clarification” is allowed.

Under Smart PFI, the design process becomes more iterative and stakeholders can be involved more effectively. As Coles explained: “At the end of the day, the client cannot transfer design risk. Clients must live with the building once it is developed, they will deal with the results. Therefore they should manage this risk.” The evidence in Northern Ireland is that Smart PFI has the added benefit of creating a more robust pricing model, because clients know what they want by the time they go out to tender. What is more, Smart PFI can be switched across to normal procurement should the PFI model fall through as the client owns the design, rather than the private partner.

A number of contractors interviewed by Policy Exchange were working with the model in other countries, such as Sweden, and were open to the idea of it being transferred to the BSF programme. Sadly, Pfs has completely ruled out Smart PFI. Despite the fact that Northern Ireland and other European countries are already using this model successfully, the organisation told us that it had received legal advice that it could contravene EU procurement law and was therefore not an option. RIBA, for its part, counters that it has taken legal advice from the European Commission and been assured that Smart PFI does not fall foul of procurement law.

Whatever the case, if the BSF programme is dramatically simplified, as we recommend, with smaller numbers of schools being procured at any one time, we would urge that Smart PFI should be placed firmly back on the table.

**Recommendation:** Following the simplification of the BSF programme we recommend that Pfs should be directed to take legal advice and consult the European Commission on the Smart PFI model to improve the procurement process.

## Consultation

Consultation is increasingly seen as key to keeping buildings in good condition after they open to the public. A number of ‘end user’ groups are seen as key to the BSF programme: pupils, teachers, teaching assistants and parents. Governors are also involved, as are community groups in some BSF areas. Even so, consultation has been patchy.

Many of those interviewed expressed the view that they had been rushed into making decisions that will affect their school community for the next twenty years. It is worth noting that the schools involved in BSF at the beginning were those in socially deprived areas with heavy demands on their time and energy. It was therefore difficult for many of them to balance their need to support students achievement and manage a complex building process at the same time.

The first PwC evaluation of the BSF programme in 2007 for the Government found that headteachers and pupils felt that consultation with staff and pupils had been insufficient.<sup>21</sup> It identified lack of “transparency in relation to information, dialogue and funding” as being barriers to the success of the BSF process. PwC recommended that PfS needed to have more meaningful involvement of pupils, staff and other stakeholders, “particularly in the design of the new or refurbished buildings in order to achieve a successful outcome”.<sup>22</sup>

However, a year later the second evaluation of the project found that consultation had improved somewhat with pupils, but staff were still, to a large extent, excluded from the process.<sup>23</sup> The report concluded that patterns of positive or unsatisfactory staff consultation in the first year generally continued into the second year. Given that staff are fundamental to ensuring that these new and improved buildings are used effectively this failure to consult them adequately is an obvious problem and should be addressed. As the Design Council’s literature review found in 2005:

“There appears to be a strong link between effective engagement with staff, students and other users of school buildings and the success of environmental change in having an impact on behaviour, well-being and attainment. The ownership of innovation, in contrast to the externally imposed solution, appears to tap directly into motivational aspects which are key factors in maximising the impact of change.”<sup>24</sup>

One of the reasons why pupil involvement may have improved is the work of the Sorrell Foundation, an architectural trust that first started working on “joined up design for schools” in 2000. DCSF funded the body to launch a specific BSF project with pupils in 2007 that proved very popular and was praised by all local authorities that have used it (although it only started working with authorities from wave 4 onwards). As part of the project, pupils spend time looking at how the school works presently, look at other redesigned spaces (such as the South Bank Centre in London) and do ‘mood boards’ for what they would want to see change in their own schools. Most pupils, the Foundation says, want to see improvements in toilets, communication, dinner halls, furniture, storage and reception (with learning spaces interesting them less). The process takes place over one academic term and involves around ten pupils per authority. So far between 25 and 30 authorities have been involved (most come down to London for a number of visits) and the Foundation is up to capacity. Such projects are valuable, in that they promote a sense of ownership of the buildings and should be extended to all schools wherever possible.

**Recommendation:** Pupils, teachers, non-teaching staff, parents and governors should be involved in planning the redesign of their school at a far more intensive level. To this end, local authorities should fund at least one day during the planning process for teachers to discuss the design of the school. Pupils, parents and governors involved with the school should also be drawn into the process.

“Given that staff are fundamental to ensuring that these new and improved buildings are used effectively this failure to consult them adequately is an obvious problem and should be addressed”

21 PricewaterhouseCoopers (2007), *Evaluation of Building Schools for the Future: 1st Annual Report*.

22 Fewer than half of headteachers felt that staff and governors had been adequately consulted. Only 11% of pupils polled were part of a school council and had been involved and only 37% felt that they had been asked about the types of facilities they would like to see at school.

23 43% of pupils felt that they had been consulted on new facilities and headteachers felt that governing bodies were more involved; see PricewaterhouseCoopers (2008), *Evaluation of Building Schools for the Future: 2nd Annual Report*, [www.teacher-net.gov.uk/\\_doc/13240/2ndannualreport.pdf](http://www.teacher-net.gov.uk/_doc/13240/2ndannualreport.pdf).

24 Higgins (2005), *The Impact of School Environments*, p 6.

Extending the work of the Sorrell Foundation should be also be given strong consideration.

### Design

In July 2008, four years into the BSF programme, the Government's design watchdog, the Commission for Architecture and the Built Environment, (CABE), found that 87.5% of the BSF designs that it had seen were either "mediocre" or "not yet good enough".<sup>25</sup> Just three were "good" or "excellent". It commented that some designs looked like "edge-of-town retail parks rather than lively educational establishments". Such a performance, particularly for a scheme that promised transformation, was hugely disappointing. Many of the issues CABE raised were fundamental. Examples of poor design included:

- Poor basic site planning or too much space for car-parks
- Poor attention to sustainability
- Few designs made good use of outdoor space
- Designs were not adaptable
- Designs had not considered teaching and learning enough.

CABE demanded a 'minimum design threshold', and in May 2009 this was introduced by the Government, to be operated by CABE. This is certainly progress from the programme's disastrous beginnings in this area, but there remain teething problems. In particular there is a risk that CABE could impose too strong a central steer upon design, squeezing out those who think differently.

Originally, CABE assessed completed designs, which meant it was difficult for them to make changes. Now it is involved during the design process to identify problems at an earlier stage. However, some architects think the review process is unfair. CABE uses 10 categories and a school can achieve an excellent standard in nine but get marked down overall if it gets a mediocre in the last one. If an architectural firm continues to promote what CABE sees as poor designs, it could be deemed 'unsuitable' to continue in the process.

While so much focus on quality design is encouraging, the big question is whether this will be maintained for the duration of the LEP. The idea is that subsequent schools will be benchmarked against the sample schools, but enforcing this as the programme moves on throughout local authorities could become increasingly difficult.

As one former headteacher – now working for a large contractor – pointed out, there is also a danger that the BSF design process could create "over-complicated schools". Architects and CABE may have one vision, but as this contractor warned, what many teachers want is "a nice painted box, with possibly a whiteboard (although even that is changing) a window that opens, clean and not having the roof leak."

### The BSF Vision Wobbles

Problems in these three crucial areas – procurement, consultation and design – helped to cause delays to the programme. In February 2004, the DCSF said that 200 schools would be built by 2008. In fact only 42 (just under a quarter) were ready

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25 BBC News Online (21 July 2008), *School design labelled 'mediocre'*, [news.bbc.co.uk/1/hi/education/7517060.stm](http://news.bbc.co.uk/1/hi/education/7517060.stm).



in that timescale. The National Audit Office estimates that the overall cost of the programme has also increased by 16-23% in real terms.

Furthermore, a number of schools that local areas wanted to keep open or refurbish have been demolished. PFS does not keep statistics on the ages of schools about to be demolished, but the Victorian Society says that a number of fine Victorian schools have either been demolished or taken out of use as a result of the programme.

Other local authorities, most notably Hull and Stoke, have not started building despite being nominated to be in the first wave. They, like other areas, have faced problems when they wanted to create academies or merge schools and were resisted by teachers, parents and local MPs. In Stoke, the British National Party has joined the growing local pressure against school re-organisation and a central plank of its June local election manifesto was its opposition to BSF, which it says fosters racial integration against local wishes. BSF in Stoke has thus become a toxic mix of race politics, anti-academy activity and political manoeuvring by all parties – a trend that could be repeated elsewhere if the BNP continues to capitalise on the theme.

Teaching unions, whilst not being active on BSF as a whole, have long seen the programme as a Trojan horse for more academies. The National Union of Teachers, in its submission to the Select Committee for Children, Schools and Family in July 2008, commented: “The NUT opposes the link between Building Schools for the Future funding and the Academies programme. Much-needed resources for school buildings provided by BSF have been used to promote the Government’s “choice and diversity” agenda and local authorities have been pressured to include Academies to ensure that their “Strategy for Change” proposals were approved for BSF funding.” In 2007, in a memorandum to the Select Committee for education Education and Skills, the Government admitted: “There has been significant slippage in BSF projects in waves 1-3, with the majority of projects behind the ideal project timelines.” It said that key common factors behind this “slippage” included:

- lack of capacity or experience in delivering large projects in local authorities
- insufficient corporate support and leadership
- difficulties in agreeing Education Visions at a local level
- poor stakeholder engagement or consultation.



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# 3

## Problems with the programme

Policy Exchange interviewed over fifty senior figures involved in the BSF programme. In those interviews we concentrated largely on the situation now and asked them to highlight issues that they felt required focus or reform. Several key problems were raised again and again. In this chapter we report on those issues and suggest some practical solutions.

In this section we will explore the following crucial issues:

- Educational transformation
- The relationship between PfS and local authorities
- The erosion of the role of 4ps
- The role of PfS
- Local Education Partnerships
- Feedback on BSF
- ICT
- Sustainability
- Whether BSF offers value for money
- Efficacy of BSF
- Delivery of BSF

### Educational Transformation

The Government and PfS have repeatedly said that BSF is not just a “bricks and mortar programme” and that the buildings programme should act as a “catalyst” for wider scale “educational transformation”. Ministers and PfS representatives have attempted to define “educational transformation” many times, yet its definition still remains unclear. The Education and Skills Select Committee drew attention to this problem in its *Sustainable Schools* report in 2007.<sup>26</sup> Tim Byles, Chief Executive of PfS, attempted to define it again in the same year, saying it came down to three components: the school estate, teaching practice and buildings themselves.

In an interview with Policy Exchange, Mr Byles said: “For the last two or three years people have realised, and we have developed processes to reinforce, the notion that we have got a very clear set of ambitions, which at the national level is about improving the competitiveness of the UK and, in our case, England. And to do so in terms of aspiration and attainment, right across the country, not just in the most disadvantaged areas where BSF began.”

We would strongly dispute that the ambition to transform education through BSF is “clear”. Almost all of our interviewees, even those who had written the

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26 Education and Skills Select Committee (2007), *Sustainable Schools: Are we building schools for the future?*, p 25.

educational visions of local authorities, struggled to define “educational transformation”. Some described it as a “swearword” and many others wanted the “t-word” banned. One, a senior figure in one of Britain’s largest construction firms, said that after six years of BSF contracts his company still did not have an organisational understanding of what “educational transformation” is and described it as “this mysterious transformation thing”. He went on to muse: “You know, I’ve heard people say that the most transformational thing they’ve seen are the toilets in Bristol”. Another senior figure, a former headteacher working for a large contractor said: “BSF...allows brave people to make a real difference for students. For example, unisex loos.”

As a result of lack of clarity about the definition, few interviewees were enthusiastic about the of ‘educational transformation’ with a buildings programme. Chris Poole, BSF lead at Microsoft,<sup>27</sup> said: “The trouble is that no-one has provided a lead to help key stakeholders make the mental leaps necessary to take the focus off the buildings towards a student-centred and learning-focused debate. If you don’t want it to be about buildings and you want it to be about transformation and learning fit for the 21st century, the programme name Building Schools for the Future is a problem.”

Another, a former headteacher working for a major contractor, said: “We’ve conflated two arguments not terribly well. We do need adequate heating, lighting services, and technologies to hand but simply having new buildings and carrying on poor practice in them will not do the job.”

One senior advisor and former headteacher felt that the coupling of new buildings with “transformation” meant we might be erecting the 21st century equivalent of Victorian follies, saying: “I think there is a danger that we will build chrome and glass edifices to the egos of certain headteachers.” He added that he was unconvinced that we would be building spaces fit for 21st century learning.

As we discussed at the beginning of this report, while it is easy to see why politicians might wish to make BSF something grander and more transformational than a mere building programme, there is insufficient evidence to support a link between good design and raised attainment. As one senior adviser from a major company put it bluntly: “We should accept it is just about building schools. We are setting ourselves up for failure if we want the programme to achieve real change.”

PfS told Policy Exchange that local authorities were keen to define their own visions of transformation, and that a “global definition” of what educational transformation means would be inappropriate. This desire to encourage local innovation is certainly laudable in theory. However, in practice, it simply is not working. One local authority – Knowsley – has managed to change completely what their education provision looks like but Knowsley remains an experiment, albeit a brave and bold one.

Most of the other education authorities that we interviewed did not really see why they should “transform” their educational offer, despite the rhetoric from central Government and PfS.

Indeed, one education advisor said: “By and large, the visions were based on top-level rhetoric, rather than getting under the skin of the real challenges of what needs to change and how to go about doing it.” He went on to talk of one

<sup>27</sup> Please note that since interviewing Mr Poole he has moved on from Microsoft (Summer 2009).

project where an initially adventurous vision had suffered ‘vision slip’. “Instead of the vision becoming increasingly cemented over time, it became increasingly more diluted as more challenges confronted the project. Rather than delivering a transformation in learning, the net result was the same model of education, but with more glass, new computers and nice paint. BSF is a bit like buying a new TV – the new set looks great when you put in the corner of your sitting room, but it’s the programmes that actually make you want to keep coming back for more – and after a while, you forget that you have even got a new telly! If the programmes haven’t improved in the meantime, everything goes back to how it used to be.”

There is also the question of whether local authority visions will stand the test of time. As Anders Hultin, from the successful Swedish schools chain Kunskapsskolan that is about to open two academies in the UK, said:

*“The danger of BSF is, the local authority writes a vision, five years later the school gets finished, six years later somebody is trying to teach in it, who probably didn’t help write the vision and probably didn’t buy into it or understand it, you’re then going to have mismatches. Whereas Kunskapsskolan is designed the way it is because that’s how it needs to be designed to support that pedagogy.”*

These views contrast sharply with those expressed in the second evaluation of the programme conducted for the Government by PwC, where 69% of headteachers see BSF as being “educationally transformational”, with 75% of them agreeing that BSF could to a large or some extent improve outcomes for pupils, for teachers to personalise their offer to children, for schools to extend their services and for them to become more involved in the community.<sup>28</sup>

“There may be a number of reasons for this. Headteachers, understandably, want their schools to receive funding and it is, therefore, difficult for them not to appear to buy into the transformation agenda. Indeed, this mirrors interviews that we conducted, in which a number of people who were openly critical feared that their funding might be jeopardised if they were critical publicly of a programme representing such powerful interests.”

Indeed interviewees for the evaluation had an expectation that “BSF could positively impact on pupil aspirations and motivations, attitudes and behaviour and attainment” but that it was too early to say whether this would come about. The PwC report continued: “All of the open BSF schools suggested that it was too early to point to a clear link between the impact of the new school building and improvements in the attainment profile of the school.” To make matters worse, there was even evidence that the building work itself impacted adversely on pupil performance.

The National Foundation for Educational Research (NFER) has visited one open BSF school and has found encouraging signs that pupils feel safer and that vandalism and bullying has decreased.<sup>29</sup> Tim Byles pointed to early indications from the first few schools that the average GCSE increase was higher than for non-BSF schools. On the other hand, Ofsted recently failed one of the first schools to be built through the BSF programme, Sandon High, in Stoke-on-Trent. It is therefore too early to say, with such scant evidence on either side of the argument, whether the programme is genuinely ‘transforming’

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<sup>28</sup> PricewaterhouseCoopers (2008), *Evaluation of Building Schools for the Future: 2nd Annual Report*.

<sup>29</sup> Rudd P et al (2008), *The effects of the school environment on young people’s attitudes towards education and learning*, National Foundation for Educational Research, <http://www.nfer.ac.uk/publications/pdfs/downloadable/BSYreport.pdf>.

education attainment or having other long-lasting outcomes – be they positive or negative.

Sir Bruce Liddington, the schools commissioner and director general of Edutrust Academies Charitable Trust, was concerned by the lack of evidence of real transformation, saying: “I’ve not yet seen anything that would have any statistical validity as to whether BSF works in terms of standards...I think it would be wrong for me to say that it isn’t working in the absence of any evidence one way or the other but it worries me, because there is a lack of capacity to bring about school improvement. It doesn’t happen by magic.” The PwC evaluation echoed the previous findings associated with newly-built academy schools by suggesting that new buildings themselves increase pupil and teacher satisfaction for a while, although it can drop off steeply after the initial spike. This indicates that, even without the so-called ‘transformation element’, staff and pupil satisfaction will increase in new schools but that it can be difficult to maintain (unless the intake changes, in which case the comparison is not valid).

However, this is not to say that educational transformation should not remain a key mission for ministers. It is regrettable that there has been no attempt to hold any kind of national debate about what kind of schooling system is appropriate for the 21st century. Opinion formers, nationally and internationally, have been debating this subject for the last ten years but, for the most part, there has been little attempt to draw the public – and parents in particular – into the discussion. The 21st Century Schools White Paper, launched in June 2009, failed to give a clear answer to the questions that our interviewees raised about what transformation means.<sup>30</sup> Surprisingly, given its popularity as a New Labour catchphrase, the notion of “educational transformation” did not even make it into the document. The section on BSF is also patchy and thin.

We do not think it appropriate to explore the future of education in more detail here, given that we are focusing on simplifying this major building and technology scheme. However we would recommend that the separation of the two aims of the programme should be accompanied by a national debate, using different means, such as polling, INSET days and social networking, to discuss what the aims and outcomes of secondary education should be in the 21st century.

**Recommendation:** There is no strong case for ‘educational transformation’ being part of this major building programme and we feel strongly that it should be stripped out of BSF, thus immediately simplifying what has become a complicated and bureaucratic beast. “Educational transformation” is a policy issue and, as such, responsibility for defining its role in school buildings should rest with the DCSF, not the delivery body.

## The relationship between local authorities and PfS

Three out of the ten local authorities interviewed were very enthusiastic about BSF and what it could achieve in their area – although all of the local authorities described it as complex and almost all felt it was too centralised and overly bureaucratic. Every interviewee acknowledged that programmes delivering such

30 Department for Children, Schools and Families (2009), *Your child, your schools, our future: building a 21st century schools system*, see [publications.dcsf.gov.uk/eOrderingDownload/21st\\_Century\\_Schools.pdf](http://publications.dcsf.gov.uk/eOrderingDownload/21st_Century_Schools.pdf).

significant funding at that level needed scrutiny and accountability. But nonetheless many felt that they were being micromanaged by Pfs to an unacceptable degree given their track record in delivering local services with comparable or even higher levels of funding. One highly placed director of a company with a good track record in winning BSF contracts, previously a very senior figure in local authority governance, commented: “Pfs would not trust a local authority to procure a bag of paper clips. That’s quite insulting.”

Many local authorities (as well as a large number of other interviewees) went on to express their concerns about the role of Pfs. Indeed, Pfs were described by various interviewees as “marching round the country in their jackboots, telling local authorities what to do”, “risk averse and bureaucratic”, “process driven”, a “frustrating” partner and “a bureaucracy that we have to feed”. A clear majority of local authorities went on to complain that Pfs kept changing its guidelines and a number claimed that the delivery body often rang up and demanded changes to key documents within 24 hours. One London authority said that Pfs kept “reinventing the wheel” with demands for changes to documentation and that the timeline seemed more important than the buy-in locally. One of England’s largest authorities, despite being enthusiastic about the programme, said that Pfs wanted “control”. In this instance, the authority was able to use its considerable leverage to assert its independence.

Other senior local government insiders echoed these views. One highly placed executive described the body as “cavalier and controlling” and said that many local authorities described the way they were treated by Pfs as “bullying”. Another said that the quango’s attitude towards local authorities was poor and that many within Pfs saw (and in some cases openly described) councils as “basket cases” – not a view that is likely to create a good relationship between a central government quango and local government officers.

We compared these findings with research into “relationships” found in the two evaluations of the BSF programme carried out by PwC. We also looked, for comparison, at the National Audit Office report. PwC asked local authorities and schools about their view of each other (which was largely positive in almost all areas), but did not appear to ask local authorities about their view of national agencies. This seems an unhelpful oversight.

This omission must be remedied in future scrutiny of Pfs because without that information it is impossible to judge whether or not Pfs is an efficient agency. For instance, in the last two years Pfs has proved itself increasingly efficient at remedying some of the early delays in the programme. This aspect of its work led the National Audit Office in its 2009 report on BSF to say that Pfs has “helped achieve a high standard of programme management” and that “national coordination by Pfs has brought benefits to the programme.”<sup>31</sup> However, given the strong negative feelings that Pfs has raised in many local authorities and other bodies, it is clear that it has not succeeded in other elements of delivery, such as relationship building for the longer-term. Indeed, many interviewees felt that Pfs was too powerful and demanded its reform. Some wanted it axed altogether.

**Recommendation:** The third evaluation of the BSF programme should ask local authorities about their view of Pfs and its management of the BSF programme. This process should help to establish how widespread the tension is between local authorities and Pfs and what steps could be taken to address it.

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31 National Audit Office (2009), *The Building Schools for the Future Programme: Renewing the secondary school estate*.

## The erosion of the role of 4ps

One of the reasons that may lie behind the difficult dynamic between local authorities and Pfs is the “refocusing” of the role of 4ps – the local authority advisory body on public private partnerships. As previously stated, the original aim of the programme was for Pfs to be managed jointly by DCSF and PUK along with the “participation” of 4ps. Pfs has since decided that it needs greater control over the BSF programme and has subsequently removed 4ps procurement specialists from local authority project boards where they were the only outside agency apart from Pfs.

This weakening of the role of local government cuts across the CBI’s recommendation in its first report on the programme: “Partnerships for Schools should work with 4ps (our emphasis) to use the Gateway Review Process, which is seen as best practice in project and programme delivery across central and local government, to develop a stage where the procuring authority is reviewed to assess its preparedness in terms of capability and resource to deliver projects.”<sup>32</sup> One senior local government insider described the weakening of the role of 4ps thus:

“4Ps were, until last year, supporting local authority project teams to develop the skills and capacity to run good projects, through training, mentoring, and friendly ongoing advice. This was provided to over 80 authorities between 2004 and 2008. One of the mechanisms for this was the establishment of regional network meetings to encourage sharing of best practice and news between local authority officers across different Councils in the programme (and those not yet in the programme). These have been running on a quarterly basis since 2007 in each region. 4ps convened these and ensured that they remained confidential to that community. However, Pfs now demand that they attend all of these meetings in return for continuing funding of 4ps support activity, so that the independent nature of 4ps’ role is becoming seriously compromised. The future of 4ps support for BSF authority teams is now seriously in doubt, as a result of Pfs controlling the contract.”

Indeed Pfs has steadily taken on more and more responsibility for managing the programme. As of 2008, the quango manages the involvement of three other quangos: CABE, NCSL and 4ps. This ‘single gateway’ approach was justified by Pfs as being “...part of a wider move across government that will see departments assume a more strategic function and devolve more delivery issues to agency bodies.”<sup>33</sup> This may make the BSF programme more efficient, but it has left many local authorities feeling resentful that they, as democratic local bodies, are being held to account and to a large extent told what to do by a non-accountable quango. One large local authority commented: “Pfs want everything in their control, but there is a strong role for independent bodies. 4ps have been a good sounding board for us. We are really not sure about the new arrangements.”

Some felt that that DCSF is refusing to take responsibility for strategic and policy issues around BSF. One senior local government officer, for example, described it as the “impotent partner” in the marriage between the quango, Pfs, and government, adding that going to the Government had become a “waste of time”. Another powerful local authority had decided to challenge the role of Pfs, having learned “not to take no for an answer. We see it as our role to challenge

<sup>32</sup> Moran (2008), *More than bricks and mortar*.

<sup>33</sup> Partnerships for Schools (29 April 2008), *Single gateway for BSF: Pfs and NCSL join forces to support schools through BSF process*, Press Release, see [www.partnershipsforschools.org.uk/media/press/pr\\_2008-04-29-Pfs\\_NCSL.jsp](http://www.partnershipsforschools.org.uk/media/press/pr_2008-04-29-Pfs_NCSL.jsp).

ministers on policy – not PfS. They are simply there to deliver the buildings, not policy.”

Tim Byles agreed that there should be a clear divide between policy-making and delivery. He also clarified the role of PfS in managing the contracts of other quangos.

“There is absolute clarity about the policy position, which is held within the Department and that the responsibility for delivering that policy rests with PfS. And previously there was a situation where the Department were engaging in elements of delivery and delivery management, those three contracts for instance (our emphasis) which made our position more complicated and our position less well defined. What we’ve got now is a set of very clear targets and objectives and...it embraces issues to do with design quality, school leaderships and the independent support of the client function of the local authority, which is what 4ps do.”

**Recommendation:** 4ps has played a valuable role in advising local authorities on procurement and its role in the new Education Building Estates fund should be reviewed.

### Whither Partnerships for Schools?

Many interviewees were concerned about the “mission creep” by PfS, as it took on more and more responsibility from DCSF, with a number describing the body as “empire building”. Indeed, this concern may sharpen, as the Government has recently announced that PfS will take on responsibility for all schools capital programmes and it is thought that the body may at some stage be given responsibility for the failed college buildings programme. Whether merging these three different buildings programmes into one is a good idea is discussed later in this report.

Other interviewees echoed the concerns over the growing power of PfS. A senior private sector figure was not sure whether the body should be scrapped but lamented: “Why did we have to create such a bureaucratic monster?”

Another former headteacher working for a major contractor felt that PfS did not have the strategic nous to deliver change: “We’ve got lots of agencies with a top trump in BSF, it’s almost like they are kind of around the edge in it, but PfS deliver it. But they don’t have that sense of UK Plc, how do we know that education will be better and different and delivering the results that we want?”

Many interviewees wanted PfS to be reformed and a significant number wanted to see the body axed all together. One important player called for a “reconfiguration of PfS..some kind of divestment to a regional basis”. Another large company couldn’t “see the need for PfS”. One local authority wanted everyone in PfS sacked, and the body wound up.

Others derided their “control freakery”. Tim Byles disagreed with the perception of ‘mission creep’: “I wouldn’t describe it as mission creep, I’d describe it as a more comprehensive view of the opportunity that BSF brings to help catalyse education transformation from a beginning where people thought ‘here’s an opportunity to do some large scale procurement’...there’s been a considerable



development of thinking as to what the impact of BSF can be...What I'm pleased about is that I think it has got a really good opportunity to help join some of these things up coherently. I wouldn't be terribly interested in running an outfit that was simply about efficient procurement. I'm interested in making a difference on the ground."

**Recommendation:** The role of PfS should be reviewed. We recommend that it should lose its role in "educational transformation", and that the body should be slimmed down. It can then continue as a procurement body.

## Feedback on BSF

Many of our interviewees identified the lack of shared data about the BSF process to be a real problem when they were involved in new bids – they wanted to know what other schools and local authorities had found, so that they did not make the same mistakes again. In educational jargon, what used to be known as 'feedback' has become known as 'knowledge management'. Unfortunately, the 'knowledge management' database, despite having improved somewhat due to the 'BSF Community' section of the PfS website, is still below par. The website is very much a publicity vehicle to sing the praises of the programme – not to assist other authorities in the process. This makes it difficult, if not impossible, for 4ps to assist in knowledge sharing on an informal level – which, in the long run, will only make matters worse.

As the second PwC evaluation of the programme found, school staff were generally "less knowledgeable than other stakeholders" about BSF – even though they are supposed to implement change as a result of it. The evaluation recommended: "Processes should be put in place to allow later waves of BSF schools to benefit from the experience of earlier waves and for earlier waves with follow-on schemes to have access to innovative approaches adopted by later waves." It further recommended that everyone, including PfS, local authorities and schools, "should work together to disseminate good practice on consultation within schools".

Tim Byles admitted that this problem was not totally solved and that further work was underway. However, we remain unconvinced that the organisation has truly grasped the importance of this issue and of all stakeholders – particularly schools – sharing bad experiences as well as good.

**Recommendation:** Feedback needs to be improved both by the Government and by PfS. Hence PfS should focus on making the 'Community' section of its website more easily accessible and ensure that this section becomes a forum for sharing good and bad practice rather than operating as a forum for marketing BSF.

“ Many of our interviewees identified the lack of shared data about the BSF process to be a real problem when they were involved in new bids – they wanted to know what other schools and local authorities had found, so that they did not make the same mistakes again ”



## Local Education Partnerships

The role of LEPs in driving forward BSF was raised by a number of local authorities and contractors and has been discussed at length in a number of official reports.

The LEP procurement model partners a local authority with a private sector partner for 10 years to carry out school improvement, instead of having to tender each project separately. It is a joint venture between the local authority, Building Schools for the Future Investments (BSFI), which in itself is a collaboration between the Department and Partnerships UK, and a private sector partner. The LEP in turn subcontracts work and manages the supply chain as well as developing plans for each building phase. The private sector partner is usually a consortium of private sector firms that work with the local authority to develop the infrastructure and ICT. As the NAO report noted, the LEP manages a “complex array of contracts to deliver school buildings and services” – so complex, in fact, that many local authorities had difficulties at first in understanding its role in delivering ‘facilities management’, design and build, PFI and ICT.<sup>34</sup>

PfS will not recommend that projects go forward unless authorities use a LEP or can demonstrate that their alternative is sound. By December 2008, according to the NAO, 15 local authorities had established a LEP, compared to 9 who had gone through the process without one.

The LEP is supposed to deliver cost savings and the DCSF also wants LEPs to have education specialists on board and to forge stronger educational and community links. However, experience with the first few LEPs, says the NAO, is that they have been expensive due to delays, they offer costly education and design advice and they use consultants for procurement because of a lack of capacity at local authority level. Bidders have also incurred higher costs because of the costs generated by the LEP. Moreover, the NAO found that both sides in the LEP complained about each other, leading to the finding that “only 14 % of local authority BSF managers believe the LEP will produce savings.” It continued: “A few local authorities told us that they felt forced into adopting a LEP against their own judgement of what produced most value for money. The Department and PfS believe that local authorities who felt pressured into adopting a LEP approach did not produce a robust business case for not using a LEP. ...It is important, however, that they get buy in at local level or the chances of success are reduced.”

PfS did review the operations of the LEP and are now spending more time on each one, but local authorities and headteachers remain sceptical. The second evaluation of the programme by PwC found that just 26% of headteachers agreed that the LEP could streamline the procurement process – 56% were uncommitted.<sup>35</sup> Most headteachers were also uncommitted on whether the LEP would result in cost efficiencies, a similar number to those who were uncommitted as to whether it would result in better design quality. On whether the LEP was a good thing for ICT provision, 21% were negative about it, around the same number as were positive. Two-thirds were, again, uncommitted on whether the LEP would represent educational interests.

Local authorities and bidders agree a range of measures on which to judge the performance of the LEP, including “collective partnership targets”, which can include attainment improvement targets and wider community use of facilities. As the NAO said in its report: “These targets will provide the local authority with one

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<sup>34</sup> National Audit Office (2009), *The Building Schools for the Future Programme: Renewing the secondary school estate*.

<sup>35</sup> PricewaterhouseCoopers (2008), *Evaluation of Building Schools for the Future: 2nd Annual Report*.

means of assessing the success of its strategy. But these local targets are not reflected in national project monitoring and there is little consistency in how they are measured across local authorities.”<sup>36</sup>

Again, this suggests that the scepticism over whether LEPs will bring about educational improvements is well founded. It is first and foremost a procurement vehicle and will become more so if its role is extended. Its educational mission will be diluted as a result. There has also been far too little scrutiny of whether this decision to extend their role is a good one. Scepticism may continue to grow if the range of what a LEP does increases any further. Meanwhile, senior sources within PFS are so enthusiastic about the role of the LEP that they would like it to change from being a “local education partnership” to a “local infrastructure partnership” that is capable of, for example, building roads and other services far outside the educational domain. It appears that the impetus for widening the role of the LEPs comes from the delivery body, PFS – adding further fuel to the accusation of “empire building”. The CBI, in its second BSF report *Making the grade*,<sup>37</sup> favoured this approach:

“Given the high initial set up costs of a LEP, it makes sense to use LEPs to their maximum potential once they are established. One way of maximising value for money is to use LEPs to deliver a much wider range of services, not schools alone. Multi-purpose LEPs are starting to deliver non-educational services. Efficiency savings are more likely to be made as the range of services and infrastructure assets procured through LEPs broadens.”

Some local authorities that Policy Exchange interviewed were very positive about the LEP, but others clearly felt the model was being foisted upon them. One local authority said: “We questioned the regional director of PFS whether we needed a LEP. We were told ‘What do you want me to tell them. Because if I don’t tell them you are committed to a LEP it will cause a delay.’” Although they could see some benefits to the model, they had experienced fewer bidders coming forward because the LEP demanded integration of ICT in the private sector bid. The BSF manager for Coventry, Mark Fenton, was “looking forward to doing a LEP” but did not “believe in it as a model. Basically if you are in BSF you will have a LEP and you have to make it work.” Interestingly, two of the most successful BSF projects, Manchester and Knowles, did not use a LEP. Essex, by contrast, supported the LEP model, but was concerned that the current liquidity issues may mean that they could not sustain the staffing they have given to the LEP. Another local authority called it “an unproven model” with “the intention to get round procurement laws to achieve post procurement savings” which the council considered could run counter to European competition law.

The cross-party Public Accounts Committee, which reported on BSF in 2009, concluded: “The value for money of using LEPs has still to be proved. LEPs offer the potential to achieve procurement and partnering efficiencies but only if they can be made to work in practice and if the actual savings over their lifetime outweigh the high upfront costs of procurement.”<sup>38</sup> It added: “Partnerships for Schools has not done enough to ensure that LEPs work well in practice...Partnerships for Schools, local authorities and bidders appear to have been too caught up in the negotiation process and in hitting delivery milestones to pay sufficient attention to the operational stage.”

36 National Audit Office (2009), *The Building Schools for the Future Programme: Renewing the secondary school estate*.

37 CBI (2009), *Making the grade: Transforming education through Building Schools for the Future*, see [www.cbi.org.uk/ndbs/press.nsf/0363c1f07c6ca12a8025671c00381cc7/6cd02557429bf065802575d7005739da/\\$FILE/CBI%20-%20Making%20the%20Grade%20180609.pdf](http://www.cbi.org.uk/ndbs/press.nsf/0363c1f07c6ca12a8025671c00381cc7/6cd02557429bf065802575d7005739da/$FILE/CBI%20-%20Making%20the%20Grade%20180609.pdf).

38 Public Accounts Committee (2009), *Building Schools for the Future: renewing the secondary school estate*, Twenty-seventh Report of Session 2008–09, see [www.publications.parliament.uk/pa/cm200809/cmselect/cmpubacc/274/274.pdf](http://www.publications.parliament.uk/pa/cm200809/cmselect/cmpubacc/274/274.pdf).

**Recommendation:** The role of LEPs and the potential extension of the role into larger infrastructure projects requires urgent scrutiny. The value for money of the LEPs should also be kept under a watchful eye.

## ICT and BSF

### Investment in Technology

Britain leads the world in the amount that is spent on technology in education. In 1997 the incoming Government committed itself to spending £1.6 billion in order to meet its targets for ICT in education in the period from 1998 to 2002.<sup>39</sup> This included funding for:

- The National Grid for Learning (NGfL);
- Connecting every school in the country to the Internet;
- Providing additional computer equipment for every school in order to meet the Government targets of at least one computer to every 11 pupils in primary schools and at least one computer to every 7 pupils in secondary schools.<sup>40</sup>

In addition to this, £1.6 billion of further funding was made available for:

- Training every teacher in state schools in the UK to make effective use of ICT as a tool to support teaching in other subjects, including £230 million from the Lottery-funded 'New Opportunities Fund' (including funding to train librarians);<sup>41</sup>
- Extension of the NGfL programme from 2002 to 2004, focused on increasing the provision of ICT hardware and Internet access in schools, representing £710 million of new money;<sup>42, 43</sup>

Money spent on computers is far higher than that spent on books. Primary schools spent £70 million on books in 2004-05 and secondary schools £80 million, whereas all schools spent £426.3 million on ICT resources, not including computers. The amount spent on ICT has risen by more than 50%.<sup>44</sup> BSF has further embedded ICT at the centre of the education system, ring-fencing 10% of the budget for computers and other technology.

### The Vision for ICT

The BSF programme has, essentially, bet £55 billion on two assertions: that good buildings raise academic standards and that ICT raises educational outcomes. Just as the Government has failed to back up the link between buildings and achievement, so too it has failed to provide firm evidence that ICT raises attainment and failed to provide good suggestions of how to change practice to support teachers using new technology in schools. Schools may not want to be told exactly what model they should follow, but they should be given more access to good exemplars – and examples of disappointing experiences too, where overenthusiastic use of ICT has not yielded the expected benefits.

Becta, the Government's technology arm, told Policy Exchange in an interview that it was defining and refining what the role of technology should be in "educational transformation" this year. Considering the BSF programme with its massive

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39 Department for Education and Employment (1999), *Survey of Information and Communications Technology in Schools 1999*.

40 Department for Education and Skills (2001), *Survey of Information and Communications Technology in Schools 2001*, p 34.

41 Twining P and McCormick R (1999), *Learning Schools Programme: Developing Teachers' Information Communication Technology Competence In The Support Of Learning*, 10th International Conference of The Society for Information Technology.

42 Twining P (2000), *Digest: ICT in schools*, EDUCA: The digest for vocational education and training, p 7.

43 Twining P (2002), *ICT in Schools: Estimating the level of investment*, meD8, see [www.med8.info/docs/meD8\\_02-01.pdf](http://www.med8.info/docs/meD8_02-01.pdf).

44 BBC News Online (24 February 2006), *Spending on books dwarfed by ICT*, see [news.bbc.co.uk/1/hi/education/4746438.stm](http://news.bbc.co.uk/1/hi/education/4746438.stm).

investment in ICT was launched six years ago, it is astonishing that they have not thought to provide such a definition before. The Government did publish a White Paper on technology<sup>45</sup> but it shied away from a clear articulation of technology's role in education. Instead, it stated: "We will not impose our view of what the technology should provide. We need to listen to people's views and ensure that technology meets their needs. In this way, we make the most of what ICT can offer."<sup>46</sup>

This has left schools and local authorities in a quandary. They are, on the one hand, told that they have to spend 10% of their BSF budget on ICT. They are also told that the "default position" is that they must have an ICT managed service. Even so, they are not told what the service should look like. Why are they told about two elements of the ICT service, but not told about the most important – the vision that underpins it? There are a number of references back to useful Becta documents on technology for headteachers and local authorities on the PFS website, but the vision itself remains elusive. In BSF Explained, the basic primer for those involved with BSF on their website, PFS states that there should be a "step change in the level of ICT provision", that buildings should "maximise the use of ICT" and that BSF aims to provide "incentives to develop the use of ICT in teaching and learning".<sup>47</sup> Nonetheless, the argument about how far, fast and deep the ICT revolution should go in delivering education has not been resolved six years after it was embedded in the BSF programme.

### The impact of ICT

The evidence that ICT availability in schools increases performance is patchy. Although a number of studies suggest that the availability of ICT in schools is associated with higher achievement, it is difficult to isolate its effect from other factors.<sup>48, 49</sup> Indeed, a number of studies suggest the contrary may be true.

Research based on a large international sample of students from the Programme for International Student Assessment (Pisa) tests in maths and literacy found a negative correlation between ICT availability in schools and student performance. This report concluded: "Despite numerous claims by politicians and software vendors to the contrary, the evidence so far suggests that computer use in schools does not seem to contribute substantially to students' learning of basic skills such as math or reading."<sup>50</sup>

This was echoed by an exhaustive study of computer use in Israeli schools, which concluded: "On balance, it seems, money spent on ICT in Israel would have been better spent on other inputs."<sup>51</sup>

A recent British academic paper by Reynolds, Treharne and Tripp questioned the causal link between good ICT and achievement, asking: 'Do high performing schools, as a facet of their performance, invest in both the human and physical capital at the cutting edge of school improvement, including ICT, or does investment in the human and physical capital of ICT result in school improvement? Which is cause and which is effect?'"<sup>52</sup> This paper went on to warn that ICT in the UK curriculum has been "broken-backed, without a pedagogic spine to provide the necessary structure and support". In addition, a study of 6000 schools by the Open University for Ofsted in 2006 found that buying books had more effect on the English, maths and science test results of 11-year-olds than cash spent on technology or teachers. Ironically, more than half of the headteachers surveyed said that spending money on ICT was a higher priority.<sup>53</sup>

45 DfES e-Strategy 'Harnessing Technology: 2005, Teaching Training Resource Bank website, see [www.ttrb.ac.uk/viewArticle2.aspx?contentId=10681](http://www.ttrb.ac.uk/viewArticle2.aspx?contentId=10681)

46 Department for Education and Skills (2005), *Harnessing Technology: Transforming Learning and Children's Services*, p 5, see [publications.dcsf.gov.uk/eOrderingDownload/1296-2005PDF-EN-01.pdf](http://publications.dcsf.gov.uk/eOrderingDownload/1296-2005PDF-EN-01.pdf).

47 Partnerships for Schools, *ICT in BSF*, see [www.partnerships-forschools.org.uk/help/faqtopic\\_0600\\_ict.jsp](http://www.partnerships-forschools.org.uk/help/faqtopic_0600_ict.jsp).

48 Passey D et al (2004), *The Motivational Effect of ICT on Pupils*, Department for Education and Skills, Research Report RR523, see [www.dcsf.gov.uk/research/data/uploadfiles/RR523new.pdf](http://www.dcsf.gov.uk/research/data/uploadfiles/RR523new.pdf).

49 The first PriceWaterhouseCoopers evaluation of the BSF programme was optimistic about the role of ICT, stating: "Whilst it is difficult to establish firm evidence to specifically link ICT with pupil attainment, because of the difficulty of isolating ICT as a variable, the evidence points to a positive relationship."; PricewaterhouseCoopers (2007), *Evaluation of Building Schools for the Future: 1st Annual Report*.

50 For more information see Fuchs T and Woessmann L (2004), *Computers and student learning: Bivariate and multivariate evidence on the availability and use of computers at home and at school*, CESifo, Working Paper No. 1321, [www.cesifo-group.de/pls/guestci/download/CESifo%20Working%20Papers%20004/CESifo%20Working%20Papers%20October%202004/cesifo1\\_wp1321.pdf](http://www.cesifo-group.de/pls/guestci/download/CESifo%20Working%20Papers%20004/CESifo%20Working%20Papers%20October%202004/cesifo1_wp1321.pdf).

51 Angrist J and Lavy V (2001), *New Evidence on Classroom Computers and Pupil Learning*, IZA Discussion Paper No. 362, see [papers.ssrn.com/sol3/papers.cfm?abstract\\_id=283456](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=283456).

52 Reynolds D et al (2003), *ICT – the hopes and the reality*, British Journal of Educational Technology, Vol 34 No 2, pp 151-167, see [www.hull.ac.uk/php/edskas/Reynolds%20article.pdf](http://www.hull.ac.uk/php/edskas/Reynolds%20article.pdf).

53 Hurd S et al (2006), *Are low levels of book spending in primary schools jeopardising the national literacy strategy*, The Curriculum Journal, Vol 17. No 1, March 2006.

Given the lack of clear evidence that investment in ICT drives attainment, the Government's decision to ring-fence funding for technology in order to transform education seems premature at best. One thing that is perfectly clear is that simply throwing huge amounts of money at ICT, without embedding it into the BSF system in a thoughtful way and without ensuring that teachers can use it properly, will not deliver the sort of transformation that the Government is promising.

ICT experts involved in the BSF process that we interviewed all felt there was considerable room for improvement. Chris Poole, BSF lead at Microsoft, argued that the programme was making the resources available to create a step change and therefore it could revolutionise teaching and learning, but he criticised the lack of vision and leadership where ICT was concerned and warned that the advice provided on technology to schools was variable. He expressed surprise

that “education continues to find itself in a bubble somehow unable to embrace those developments.”

One leading education advisor commented that however ambitious technological plans were originally, they often ended up being watered down by authorities. He said: “In one authority the ICT vision went from being a learning platform concept to an

email system and a digital library. If you don't change the school operating system, nothing changes”. Another very senior thinker about information technology from a leading software company said: “Although there is a huge amount of stuff going into schools in this country, its use and application is questionable. You have to ask the question whether you'd have been better off spending most of that money on more books and more teachers.”

“ Throwing huge amounts of money at ICT, without embedding it into the BSF system in a thoughtful way and without ensuring that teachers can use it properly, will not deliver the sort of transformation that the Government is promising ”

**Recommendation:** An expert review panel should draw up recommendations on the role of technology in secondary schools. This should be a wide-ranging review, looking at technology's role in a wider “creativity” agenda. The role of music, books, drama and art should be considered at the same time.

**Recommendation:** The BSF ring-fenced budget for ICT should be replaced with a “creativity” budget which headteachers can spend in any way that they think boosts creativity in their school, including ICT and books.

#### ICT procurement

The arrangement for the LEP, the preferred method of delivering new BSF schools, entails a partnership between a building contractor and an ICT contractor as well as ‘facilities management’ service providers. They bid together for a BSF contract, with each partner standing or falling on the strengths of the others. The restrictions on the freedom of all involved mean that fewer ICT contractors are active in the BSF marketplace. All of those interviewed, including IT companies with good BSF order books, said that there was lack of capacity in the marketplace and too few firms competing for business. Many disliked the fact that they

had to link with a contractor and could not bid separately. Building contractors complained that they had lost bids because of the poor IT contractor and vice versa. Some local authorities wanted to separate out the two contracts but only one, to our knowledge, has been allowed to do so. This is hardly a good record for promoting choice, diversity and local decision-making.

Furthermore, local authorities are expected to operate what is known as a “managed service”, in which they partner with one ICT contractor across all of their schools. PfS outlines the reasons for this below:

*“The ICT area-wide Managed Service has been the default model for delivering ICT within BSF since the programme’s inception. The reasons for this are three-fold. First: providing procurement, technical support and management of ICT services across a local authority area. Second: better and more consistent integration of ICT services to schools with construction. And third: greater coherence across a local area to support learning so that students have a more flexible and personalised learning experience. Underpinning this is the key assumption that schools should be released from the need to focus valuable resources into procuring and managing ICT, and that in essence, this should be available to them as a “5th utility” service.”<sup>54</sup>*

Becta and PfS say that there are economies of scale to be had from managing the service centrally and that it avoids mistakes seen in some of the early academy programmes, where some computer systems in city academies were, at their inception, a catastrophe. For instance, the cabling, servers and wireless in Bexley City Academy failed almost immediately.<sup>55</sup>

This one-size-fits-all approach to ICT is potentially harmful for education, driving out innovation. Some schools have been developing their own ICT systems and programmes, experimenting with innovations such as mobile technology. In such cases ICT is a critical part of changing the way they teach, and schools should be free to explore what works for their pupils. Malcom Trobe, head of the Association for School and College Leaders, has warned that schools feel they are being blackmailed into reducing IT flexibility in exchange for new BSF schools.<sup>56</sup>

The official line, from the Government and PfS, is that schools can opt out of this managed service if they can persuade the body of an “alternative business case”. However, in practice this proves to be nigh on impossible. Headteachers and academy sponsors (including all multi-academy sponsors) complain about the lack of flexibility in the ICT procurement process, with many saying that they have been actively discouraged from opting out of the authority-wide managed service. Some headteachers are considering taking this to judicial review.<sup>57</sup>

The active promotion of centrally managed ICT services is reminiscent of the situation 20 years ago, when most schools were forced into authority wide catering contracts with a very small number of companies. Incidentally, the furore over food quality five years ago has led to a shake-up in that market which has allowed smaller local companies to compete – and has improved food quality. It would be highly regrettable if a similar mistake happened in ICT procurement and history repeated itself.

Tim Byles, in his interview with Policy Exchange, said that the ‘managed service’ was essential because it promotes “child protection”. This is presumably a reference to the fact that pupils moving from one local authority site to another can be tracked via sign-in technology now being used in schools. Regardless of

<sup>54</sup> Partnerships for Schools, *The ICT Managed Service in BSF*, see [www.partnershipsforschools.org.uk/library/the\\_role\\_of\\_ict.jsp](http://www.partnershipsforschools.org.uk/library/the_role_of_ict.jsp).

<sup>55</sup> Spring M (13 June 2009), *Bexley Academy: Qualified success*, [propertyweek.com](http://propertyweek.com), see [www.propertyweek.com/story.asp?storycode=3115771](http://www.propertyweek.com/story.asp?storycode=3115771).

<sup>56</sup> Willoughby M (26 November 2008), *Schools ‘blackmailed’ into swapping IT flexibility for BSF buildings*, [building.co.uk](http://building.co.uk), see [www.building.co.uk/story.asp?storycode=3128562](http://www.building.co.uk/story.asp?storycode=3128562).

<sup>57</sup> Vaughan R (3 April 2009), *Schools could seek judicial review in bid to stop IT procurement ‘bullying’*, TES, see [www.tes.co.uk/article.aspx?storycode=6011249](http://www.tes.co.uk/article.aspx?storycode=6011249).



the merits of this, there is no reason why ICT contractors working in different schools should not be able to set up a common managed system to remedy this potential issue.

**Recommendation:** PfS should remove the requirement for IT contractors to partner with a building contractor at the start of the bidding process. Instead IT contractors should negotiate separately with local authorities to run services.

**Recommendation:** The reliance on ICT managed services is not appropriate for all schools. PfS should ensure that the process of opting out is made more transparent and straightforward. In particular multi-academy sponsors must be able to opt out in favour of their own managed systems.

**Recommendation:** All schools and college ICT contractors should sign up to minimum standards of inter-operability between different systems. This process should be managed by Becta, which would address commercial confidentiality concerns.

## Teaching and Learning

One very obvious potential flaw with the BSF vision – whether or not you strip the educational transformation agenda out of it – is that new buildings and new equipment will only have a limited impact if no one understands how to use them.

Policy Exchange addressed the urgent need to attract more good people into the teaching profession and drive up the quality of entrants in our recent report *More Good Teachers*<sup>58</sup>. Teaching quality is one of the most crucial variables in the system, and some of the experts we interviewed had looked to BSF, with its grand mission to transform education, for an articulation of what the teachers of the future should be like. Of course, new or refurbished buildings will not in themselves do anything to improve teaching quality and we would argue that expecting BSF to produce a vision for the future of teaching is probably unrealistic. However, we can at least ensure that these new facilities make teachers' jobs easier and not more difficult by taking the learning experience forward rather than leaving teachers puzzling over how to use a new piece of technology or teaching a class in one corner of a vast new teaching space that has been thrust upon them.

BSF schools are supposedly giving teachers and pupils excitingly flexible new spaces to work in. However, crucially, the second PwC evaluation of BSF said that teachers in those new schools that had opened “were less convinced that the teaching spaces were flexible and adaptable”.<sup>59</sup>

Many of our interviewees felt that the lack of research into effective teaching styles in the new schools was particularly damaging and, as a result, many felt it was unlikely that teaching styles would change. In addition, almost every advisor interviewed by Policy Exchange felt that not enough focus and funding was being devoted to “change management” and training. Even some of the most vociferous enthusiasts for wholesale transfer to an ICT model of learning had doubts about whether it could work in the current set-up. Bob Harrison, a former headteacher and advisor to Toshiba, said: “There’s been too much focus on buildings and technology and not enough focus on investment in people, skills, capability and

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58 Freedman S et al (2008), *More Good Teachers*, Policy Exchange, see [www.policyexchange.org.uk/images/publications/pdfs/More\\_Good\\_Teachers.pdf](http://www.policyexchange.org.uk/images/publications/pdfs/More_Good_Teachers.pdf).

59 PricewaterhouseCoopers (2008), *Evaluation of Building Schools for the Future: 2nd Annual Report*.

competence. It's dependent on local authorities and schools putting their own funding in and whether they do or not, that's another question. Transformation doesn't come from chucking bits of kit at people, it comes from teachers being confident and competent to create learning with young people using whatever technology there is."

Another senior education advisor and former headteacher likened the lack of funding for training on new ICT to: "giving somebody a car and not teaching them to drive". He added: "You find some people putting up partition walls because that's the only way they feel comfortable working. And not just the staff. You can't put the students who have been in cells and bells for seven years in a brand new school and a totally different regime and expect it to work."

It seems apparent that there needs to be more thought given to continuous professional development as part of the BSF process. However, as we warned in *More Good Teachers*, it is crucial that such training is delivered within schools, building not on the standard INSET model of external training but on what teachers do in their classrooms: the observation-led model that is intrinsic to mentoring. Teachers learn best from other teachers – those who share "life in the trenches" or in this case life in a gleaming new building full of seemingly unfathomable new technology. We feel that in order for the BSF investment to be used properly it is essential that there is a specific fund for training. That said, we would stress that this should be embedded within schools themselves.

One of the reasons why it may be so hard to change teaching and learning in BSF schools might be that they have found the sheer scale of the process overwhelming. The NAO commented that the programme itself is placing school leaders under "considerable pressure" because of the 'scale and complexity' of BSF.<sup>60</sup> Many headteachers felt isolated during the process and the NAO report commented: "BSF requires significant time commitment from school leaders, who told us that it creates considerable pressure on their ability to carry out other duties."

This was backed up by a senior advisor for a private company, who commented: "We can't just ask heads to do this on the fly when they have got another job to do. They have the capability but they have been trained, honed and embedded in the 20th century model. It is barking mad to think that this can be done by fiddling around the edges while people are still trying to run schools today."

Professor Dylan Wiliam, from the Institute of Education, was concerned about the pressure to focus on BSF and the unforeseen consequences that might have: "The difficulty with BSF is that you are throwing everything up in the air. The biggest problem with BSF is not the money, it's the diversion of focus."

A highly successful headteacher, who has managed to raise aspirations and achievement in one of London's most deprived boroughs, was forthright about his focus: "We shouldn't start with the spaces, we should start with the learning." He was also concerned about the current fad to do away with whole class teaching: "I want to see learning objectives achieved in every lesson and it strikes me that we can best achieve that if all children are witnesses to the process." He continued: "I want my kids from the tower blocks and the council estates and the maisonettes at the top table, and I'm not going to disenfranchise them. Let's not do away with subjects and classrooms and then make spaces that are redundant three or four

60 National Audit Office (2009), *The Building Schools for the Future Programme: Renewing the secondary school estate*.



years down the line, because they go out of fashion.” Put simply, he wanted to carry on running a successful school and taking responsibility for its ups and downs. He feared that BSF, with its centralising vision, would prevent him from doing that.

**Recommendation:** A significant proportion of the money saved from simplifying the BSF programme should be funnelled into a good quality programme of continuous professional development to help teachers use these new buildings. As we recommended in *More Good Teachers* it is essential that this training takes place in schools, where teachers learn best. This would be coupled with funding for better Assessment for Learning, benefiting both pupils and teachers.

### Sustainability

When the BSF programme started in 2004, sustainability was not part of its remit. That, however, has changed, as climate change has moved up the agenda and is now central to the BSF project. The Children and Young People’s Plan embedded this concern at the heart of future schooling, partly because schools account for about 15% of the carbon footprint of the public sector.<sup>61</sup>

Nevertheless, whether the programme will deliver environmentally sustainable schools (which is separate from delivering a sustainable curriculum) looks doubtful for many reasons. Robin Nicholson, the chairman of the Government’s ‘zero carbon’ task force schools, told the Times Educational Supplement last year that the goal of making all new BSF schools carbon neutral by 2016 was “bloody difficult”.<sup>62</sup> They are more expensive (around 3% more than the average school), expensive equipment does not always work, and headteachers say that they spend far more time in maintenance with “sustainable” schools. This doesn’t have to be the case, but many of the new environmental systems such as solar panels, eco-boilers and rainwater collecting systems are too complicated and they can involve significant capital and maintenance costs.

One of the key reasons for the difficulty in hitting the zero carbon target is the growing use of ICT in schools – a goal that, it seems, conflicts with the goal of sustainability. This concern was raised by the Select Committee for Children, Schools and Families in its report on the programme in August 2007 and has remained a live issue ever since. One of the leading buildings analysts in this area is Roderic Bunn, from the Buildings Research Association, (BSRIA) and his work has questioned the Government’s targets.

ICT is being promoted by DCSF as central to educational transformation, as so much tuition is migrating to the internet. But the section within DCSF that promotes ICT is not considering the energy consequences of spreading ICT around a school and has no real understanding of the degree to which the benefits are real or imagined. The outcomes of ICT, and its attendant need for mechanical cooling in server rooms and so on, are not being investigated. The energy cost and carbon penalties often come as a shock to the school, and a management nightmare to boot. Roderic Bunn commented: “Technology is often a burden. We build a good school to make things easier for teachers and students and then burden them with more stuff to deal with – as well as far higher electricity bills.”

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61 Department for Children, Schools and Families (2007), *The Children’s Plan: Building brighter futures*, see [www.dcsf.gov.uk/childrensplan/downloads/The\\_Childrens\\_Plan.pdf](http://www.dcsf.gov.uk/childrensplan/downloads/The_Childrens_Plan.pdf).

62 Marley D (19 September 2008), *Zero carbon target for schools ‘bloody difficult’ to achieve*, TES, see [www.tes.co.uk/article.aspx?storycode=6002649](http://www.tes.co.uk/article.aspx?storycode=6002649).

Roderic Bunn was commissioned by the DCSF in 2006 to look at early examples of sustainable schools and found that many of them had up to three times the electricity consumption assumed by the design team. Energy targets were often very basic and failed to take into account the full power loads, the hours of occupation and the risks of equipment being difficult to control or defaulting to 'on' for various reasons.<sup>63</sup>

Roderic Bunn subsequently conducted a study that compared three schools from three periods of school building: Victorian, 1970s and 2004. The newest school, while being an effective learning environment to meet the requirements of the modern curriculum, did not significantly outperform the well-built Victorian school. He concluded: "The rush to replace all our old schools is predicated on a fundamental belief that anything not built in the 21st century is substandard" and points out that a new building has a significant construction footprint for decades, compared to refurbishing older schools. The focus on new buildings, which has led to a number of Victorian schools being taken out of use, was questioned by several interviewees. One former headteacher, now working for a major private company, commented: "I would do more refurbishment because I think that with creative thinking and understanding education, you can create really good buildings that actually have more freedom and flexibility than a new building, because in a new building you're stuck with the limitation of the space and some of the schools that are being knocked down are really serviceable." We asked PfS if they had data relating to the age of the schools that were being taken out of commission or demolished, but they do not hold such data.

The DCSF's 'Carbon Calculator' tool,<sup>64</sup> which design teams have to use to demonstrate a 60% reduction in CO<sub>2</sub> emissions, is leading design teams to try and generate energy on site rather than reduce demand through passive design. Designers are also persuaded to adopt technology like biomass boilers which will only deliver the anticipated savings if they are appropriate for the context (highly insulated schools are not suited to biomass systems which perform better with a constant base-load) and where expertise exists in the school to manage it in operation. Such expertise and resources are rarely available, and often cannot be guaranteed over time. Other systems, like automated lighting controls, often cause lighting to default to on. Occupants have limited ability to intervene, and many feel out of control.

The Government's favoured environmental rating system, BREEAM, is also a poor measure of a school's operational performance, as it only measures design team aspirations. BREEAM-In-Use offers some opportunity for closing the loop between design intention and operational performance, but it is only a walk-through, tick-box survey that identifies that features are present rather than assessing their functionality. The Sustainable Development Commission, a government body, was also critical of the BREEAM test, dubbing it a "red herring" which would not on its own "create a generation of sustainable school buildings."<sup>65</sup>

New 'sustainable' schools do not have high quality ventilation systems either.

In 2008, Reading University and University College London carried out separate studies into both new and old schools and found that CO<sub>2</sub> emissions in sustainable schools remained just as high as in older schools. Dr Dejan Mumovic, lecturer at UCL, told Policy Exchange: "schools are failing, as scientists have not managed to provide adequate tools to the industry. The science

63 Department for Education and Skills (2006), *Schools for the future: Design of sustainable schools – case studies*, see [www.teachernet.gov.uk/\\_doc/10675/SustainCS.pdf](http://www.teachernet.gov.uk/_doc/10675/SustainCS.pdf).

64 *Carbon Calculator*, Teachernet website, see [www.teachernet.gov.uk/docbank/index.cfm?id=12286](http://www.teachernet.gov.uk/docbank/index.cfm?id=12286)

65 Education and Skills Select Committee, *Seventh Report*, see [www.publications.parliament.uk/pa/cm200607/cmselect/cmeduski/140/14008.htm#n113](http://www.publications.parliament.uk/pa/cm200607/cmselect/cmeduski/140/14008.htm#n113).

related to building design and learning performance is still in its infancy and it would take time to investigate interrelationships between indoor quality parameters and learning achievements in a more robust way”.

One way of resolving this gap between good intentions and outcomes would be the adoption of the ‘Soft Landings’ methodology, launched by BSRIA in June 2009. Soft Landings is an approach in which designers and building contractors stay involved with the buildings they have created after practical completion for an agreed time period, in which they fine-tune the site post-occupation, so that unforeseen problems can be ironed out. This means that the occupiers can understand how best to control and use their building. The gaps between design intention and operational outcomes can be quite wide, specifically on energy use but also the usability and manageability of schools and the technology within them. The increasing reliance on renewable sources of energy, such as biomass boilers and photovoltaics, is also creating management and maintenance issues for schools that are not fully appreciated either by the schools or the design teams.

In short, despite all new schools aiming to be ‘carbon neutral’ by 2016, few of those interviewed believed that this was achievable because of ICT use and poor central guidance on the best ways of achieving this worthy aim.

**Recommendation:** Detailed data collection on ICT use and rising energy bills in BSF schools should be made a mandatory part of the post-occupancy evaluations of new schools. Local authorities commissioning new schools should outline how they plan to keep ICT equipment charged and usable throughout the school day. The current drive for more ICT in schools conflicts with the drive for sustainability – all new schools are supposed to be carbon neutral by 2016 but nobody thought that this would be possible. This conflict between two worthy goals needs to be resolved.

**Recommendation:** A number of new BSF schools should be selected for “soft landing” pilots, a process where the project team remains involved after handover of a new school for an agreed period to iron out issues and to fine-tune systems.

### Value for money

When asked to comment in general terms on the value for money of the programme, many interviewees were forthright in their disappointment. One senior advisor and a former headteacher, working for a large contractor said: “Billions have been wasted on BSF, to be honest..and a lot of the buildings I’ve seen are not transformations...you need to decide what “education transformation” is... ..but they just said ‘here’s the money, build some schools!’” One senior private sector education advisor said that BSF “has been the biggest disappointment of our existence as a company. It has been about buildings, not about the future.” Another highly placed private sector director described it as an “absolute nightmare” and added “the waste is appalling” – so bad, in fact, that despite the company still winning contracts, it decided to step back because it did not want to be involved in “burning money” from the public purse.

These views were echoed by a member of the Select Committee for Children, Schools and Families in January 2009. Graham Stuart MP described the education system as failing thousands of children, and continued: “we are pouring billions

into a building programme, which there seems to be no evidence at all that it will tackle the fundamental source of these problems”.<sup>66</sup>

One senior figure in one of Britain’s largest private sector organisations was also sceptical about whether the programme was value for money: “I get discouraged and pessimistic when you look at what is happening at the moment and it’s a complete waste of public money.” He continued: “I do actually think there is a serious danger of this continuing to be a buildings and ICT programme...an over-engineered and bureaucratic process. I can’t see how you demonstrate better value for money through putting people through these huge and thick hoops”.

The NAO looked at whether the programme was value for money in its report. It noted that the cost of delivering the programme had risen significantly – by between 16 and 23% in real terms, to between £52 and 55 billion. It

concluded: “the main challenges to securing value for money revolve around increasing the pace of delivery; securing adequate cost assurance, managing relationships in a complex delivery chain, requiring buy-in from a wide range of public and private sector parties.” It added that “the costs of setting up a LEP have been high for the first local authorities to do so. These costs should fall for future projects.”<sup>67</sup>

The NAO went on to express concern about the performance indicators for PfS. The DCSF and Partnerships UK agree the corporate targets annually and so far “these have focussed on the timeliness of delivery, which, although important, needs to be balanced with maintaining the affordability of the programme and achieving effective outcomes”. It recommended that the indicators should be reduced and should “better reflect the objectives of BSF, covering the timeliness, cost and quality of the programmes outcomes.” PfS staff are awarded performance bonuses of up to 20% of their salary, the bonus pool itself based on PfS corporate targets. It has 100 full-time equivalent employees. The NAO concludes that the body has “relatively high staff costs per employee compared to the Department and other public bodies reflecting its efforts to recruit highly qualified staff and a mix of experience and skills from the public and private sector.” Like the DCSF, it is also “heavily dependent” on expensive consultants – together they spent £11.1 million up to March 2008 on them.<sup>68</sup> The NAO does not judge whether this is necessary or not, but does warn that it is too early to say whether the programme is value for money.

Another report by the Public Accounts Select Committee found that “the Department and PfS has wasted public money by relying on consultants to make up for shortfalls in its own skills and resources.”<sup>69</sup> As stated earlier, the Public Accounts Select Committee was also concerned that the value for money of LEPs remained unproven.

**Recommendation:** The value for money attributes of PfS, whether or not it is reformed, must be kept under close scrutiny. The new capital fund will be worth at least £16 billion over two years – even more if the college estates fund is enmeshed. This makes PfS a super-quango and, as such, its powers and practices must be held to account.

“ The NAO looked at whether the programme was value for money in its report. It noted that the cost of delivering the programme had risen significantly – by between 16 and 23% in real terms, to between £52 and 55 billion ”

66 Children, Schools and Families Select Committee (21 January 2009), *Sustainable Schools and Building Schools for the Future Oral Evidence*, see [www.publications.parliament.uk/pa/cm/200809/cmselect/cmchilsch/uc192-i/uc19202.htm](http://www.publications.parliament.uk/pa/cm/200809/cmselect/cmchilsch/uc192-i/uc19202.htm).

67 National Audit Office (2009), *The Building Schools for the Future Programme: Renewing the secondary school estate*.

68 National Audit Office (2009), *The Building Schools for the Future Programme: Renewing the secondary school estate*.

69 Public Accounts Committee (2009), *Building Schools for the Future: renewing the secondary school estate*.

## Efficacy

Not all were disappointed about BSF and some believed that it could yield real, sustained change in the future – but only if it was linked to other schemes, especially around regeneration. This would, if the current model continues, be delivered through LEPs.

Whether, however, regeneration should be driven by what started as an education delivery body without knowledge or experience of wider issues remains questionable.

One highly placed figure in an international education company mused: “Maybe we should try and get away from this whole concept of schools actually being places that sit behind fences.” He added: “we may well see BSF moving into this broader regeneration thinking: schools much more firmly based at the centre of their communities and start to create and design energised communities of which the school is playing a central part.” However, he had misgivings about LEPs driving that process forward. “That is a complete regeneration project. I think it is tough if education drives it when it is just a plank of it.”

One former headteacher, now a senior private sector figure, commented: “We need to look at the place of education in the broader community, and what does that mean in terms of this investment programme? It needs longevity, we need to see how it interlinks with other policy objectives – modestly sized local authorities might want to do town centre regeneration in the development of school provision, how will that come together?” And he added: “If we are serious about the notion that BSF is a small part of social and economic reform, let’s look at that investment is targeted best – education is at the heart of that but investment might go somewhere else”.

## Delivery

There were early problems with the delivery of BSF which were highlighted by a number of reports in 2006 and 2007. PFS has made good progress, however, in reducing delays in the programme, although the number of schools that have been built and have actually opened remain small (70 schools as of June 2009).

New concerns about the delivery targets hardened as the recession took hold, with the Select Committee holding a further hearing into BSF in January 2009, on the same day that PwC published its second evaluation of the programme. The minister responsible for BSF, Jim Knight, and Tim Byles appeared before the Select Committee on this occasion, as did a number of other witnesses from organisations including The British Council for School Environments (BCSE), the Construction Industry Council, CABE, and RIBA.

Graham Watts, from the Construction Industry Council, described BSF as a “lifeline” to the construction industry to “prevent the fall in output from going from 9% to perhaps 14-15% over the next two years” because of the recession. Nevertheless, he was concerned about the lack of credit that was threatening the BSF market, with around 18 BSF schemes struggling to reach financial close because of the lack of liquidity in the market. The Chief Executive of CABE was forthright: “Many firms in construction see schemes such as BSF and LIFT as a way of staying in business.”

Sunand Prasad, President of RIBA added that he felt the entire project was threatened by its reliance on PFI. He pointed out that around £7 million of work is not used per bid because the competitor loses – and that money eventually comes out of the public purse. He advanced RIBA’s solution, Smart PFI, which he felt would reduce waste in the system – something that had become increasingly important during the recession.

The NAO, in its February 2009 report, said that Pfs would find it “very challenging” to complete all 3,500 schools by 2020.<sup>70</sup> In February 2004 the DCSF (in its previous incarnation) had said that 200 schools should be built by December 2008, yet only 42 were ready in that time. The NAO report concluded: “Partnerships for Schools and the Department were too optimistic in their early years, though programme management has since improved. But it remains a real challenge, in different market conditions, to deliver the 250 schools that will be needed, to include all schools by 2020, as currently planned.”

This was echoed by Edward Leigh, the Chair of the Commons Public Accounts Committee. Speaking to the TES after the publication of the NAO report, he said: “Four years into the programme, only 42 schools have opened, yet the Department is confidently predicting it will manage to open 250 schools per year after 2011. Given the rate of progress so far, this seems fanciful.”<sup>71</sup> The Public Accounts Committee stressed this point again in its own report, published in June 2009. It said: “The Department and Partnerships for Schools appears complacent about the challenge of renewing all secondary schools by 2023...Current promises to increase the pace of the programme are not sufficient to meet this.”<sup>72</sup>

The CBI’s second report on the BSF programme, *Making the Grade*, published in June 2009, was more positive about the programme than its first report.<sup>73</sup> It praised the progress made to reduce the time spent on procurement, which could help improve delivery, although it wanted a further review of the timeframe to get through the competitive dialogue process. However, it warned that the programme could be threatened by the recession and wanted the Government to make a far firmer commitment to BSF’s part in the fiscal stimulus strategy.

In an interview for the CBI report, Tim Byles remained bullish about hitting delivery targets. Although he said that “the cost of money for any kind of scheme has gone up very significantly”, he added that “we are finding ways of creating cocktails of funding that are good value for money.” The deal flow, he says, was being maintained. As a result “we are on trajectory for the 115-odd schools that are due to open this year and for the 165 due to open the following year.”

Drawing on all the reports on BSF, it is clear that the BSF programme has seriously improved on delivery. Even with the recession Pfs has tried hard to pull together contracts and hit its revised delivery targets (and, in fact, exceeded them, in some respects). It is, according to the NAO, an effective delivery body. But despite its apparent success, it is worth remembering that its targets are delivery-oriented rather than being oriented towards educational change which, at the present moment, is supposed to be key to the programme. The Public Accounts Committee stressed this point, finding: “BSF is an important part of the Department’s efforts to improve educational attainment and the life chances of children, but the Department has not explained what success looks like. The Department should define the full benefits it wants BSF to achieve and develop a set of measurable indicators against which it can monitor the success of the

70 National Audit Office (2009), *The Building Schools for the Future Programme: Renewing the secondary school estate*.

71 Vaughan R (20 February 2009), *Lofty ambitions for new builds are left dangling*, TES, see [www.tes.co.uk/article.aspx?storycode=6008993](http://www.tes.co.uk/article.aspx?storycode=6008993).

72 Public Accounts Committee (2009), *Building Schools for the Future: renewing the secondary school estate*.

73 CBI (2009), *Making the grade: Transforming education through Building Schools for the Future*.

74 Public Accounts Committee (2009), *Building Schools for the Future: renewing the secondary school estate*, p 5.

programme and assess options.” It added: “Schools and local authorities are provided with little support to achieve the educational aims of BSF.”<sup>74</sup>

However, it seems unfair to expect PfS to hit wider targets around educational transformation and regeneration when its strengths lie in its role as a procurement body.



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# 4

## BSF and School Choice Reform

The general election is likely to take place in 2010 and school choice reform will be a key issue. The current Government's academy programme remains a central plank of their education reforms. The Conservative Party and Liberal Democrats have promised to go much further, allowing parents or charities to set up 'free schools' wherever there is demand.

Policy Exchange has led the way in explaining how such a vision might become reality. In *A Guide to School Choice Reforms*, published in 2009,<sup>75</sup> we argued that the schools system should be:

1. Demand-led
2. Easy to Enter
3. Accountable
4. Genuinely free
5. Financially consistent and stable
6. Politically stable
7. Fair

In this report we looked at three international models that favoured school choice – charter schools in the US, the free schools model in Sweden, and the academy system in the UK. This report showed that the academy programme, while appearing to have a favourable effect on standards, lacked a transparent commissioning programme and was shrouded in secrecy. The freedoms that the pioneer sponsors once had over the design of their new academies have also been lost. This can be linked strongly to the BSF programme.

After Gordon Brown became Prime Minister in 2007, he appointed his closest advisor, Ed Balls, as Secretary of State for Schools. Almost immediately, the curricular freedoms that academies had enjoyed were whittled away. The Balls/Brown plan was to bring academies back into so-called "local families of schools". Once a local authority had agreed to one of its schools being rebranded as an academy, it was then given a list of potential sponsors and other groups could be invited to bid. Local authorities have increasingly taken on the role of co-sponsors and then selected another compliant sponsor, effectively keeping the school under their control.

The freedom to innovate through the academies system was further curtailed when academy construction was handed over to the BSF programme. DCSF said at the time: "academies will now be involved in local authorities estate planning which will allow more integrated implementation of their strategic vision for

75 Meyland-Smith D and Evans N (2009), *A Guide to School Choice Reforms*, Policy Exchange, see [www.policyexchange.org.uk/assets/GUIDE\\_TO\\_SCHOOL.pdf](http://www.policyexchange.org.uk/assets/GUIDE_TO_SCHOOL.pdf).



secondary education across the local authority”. Sponsors were informed that they would now “have a limited role during the academy construction but will be informed of progress and consulted when required.”<sup>76</sup> Sir Bruce Liddington, the schools commissioner, agreed: “...the fairly entrepreneurial way that academies used to come about sat uncomfortably with the much more schematic way that BSF allocated monies to local authorities.”

He added: “As PfS established itself, their role (that of the sponsors) ceased to be the management of the buildings programme and became an advisory one at the edge of the building programme...there would be some benefits and disbenefits” from folding the programme into BSF.” He added, “I think the diminution of ownership on the part of the sponsors is regrettable.”

On academy construction itself, the guidance has also changed. New schools are now assigned a project manager by PfS and architects have to be selected from an approved list. As one sponsor put it: “The BSF programme is locking the door to any genuine diversity for decades to come. It is completely top-down.” As previously discussed multi-academy sponsors are particularly concerned about their lack of freedom to manage their own ICT service, which has implications for their pedagogic model and school operating system. Regardless, the Government has forged ahead with giving PfS more powers to direct school planning.

Authorities are supposed to initiate a competition if they wish to develop a new school, which could open up the local schools system. However, under BSF the local authorities have the power to develop their entire school estate on the basis of projected pupil numbers – meaning that they can avoid competitions for decades.

Both of the main opposition parties have been critical of the dirigiste BSF programme. Indeed, the Conservative Party has suggested that part of the BSF budget should be set aside so that parents and charities can bid to run free schools here. In its schools policy paper, it states: “The Building Schools for the Future budget is already set at £9.3 billion for the three years 2008-09 to 2010-11. Redirecting fifteen per cent of this would raise £1.4 billion. Assuming that the funding continues at 2010-11 levels, over nine years this 15% re-allocation from bureaucratic control to citizen choice would release around £4.5 billion for the building of New Academies.”<sup>77</sup>

Based on our interviews, it has clearly been difficult to merge the academies programme with BSF and that it would be even more difficult if education provision was loosened yet further. BSF is by design a centralised system of planning for both school places and types of schools within local authority areas.

One multi-academy sponsor said: “Academies were supposed to get the kinds of schools that were in dire straits, but what’s happened is that it’s got folded into BSF and it’s diluting what that fast-track can do. We’ve got to wait four years for a building, for instance, because that’s when it gets delivered. We were on a different train. I thought academies were a way of improving these schools, and it’s suddenly got derailed.” Their power to impose a vision has been diluted too. “There’s no guarantee that we will be involved in the local authority’s larger vision, it’s up to the behest of the local authority who are procuring the money through BSF to build this. They are the client, as they are continually reminding us...we want to work with other schools but we want

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<sup>76</sup> Department for Children, Schools and Families (2006), *Guidance to Academy Sponsors on PfS*.

<sup>77</sup> Conservative Party (2007), *Raising the bar, closing the gap*, Policy Green Paper No. 1, p 39, see [www.conservatives.com/pdf/New%20opportunity\\_proof.pdf](http://www.conservatives.com/pdf/New%20opportunity_proof.pdf).

to control our schools to a level that we are happy with and that we are responsible for.”

Anders Hultin, who previously worked at the Swedish schools company Kunskapsskolan, agreed: “PFS is using a sledge hammer to crack a nut with some of those academy projects, where they have got these big programmes designed for a large authority like Kent and they’re applying it to Richmond where you have got your two academies, or a single academy and they have got the same sets of rules, process and gateways and it’s not particularly useful.”

In Sweden, parents have more choice about which schools their children attend – including the state of the buildings. He added: “If you think about the independent sector, leaving aside the great institutions of the age, many of them have the same problem as the state sector. They are in odd buildings in places...so people are prepared to spend ten or twelve thousand pounds a year to send their kids to schools which don’t have big playing fields are not impressive buildings..so should you actually put the money into the quality of the people inside the building or the way you run it, rather than the building. And, of course, in a true free market system you have that opportunity to test that because people do different things.”

As Policy Exchange said in its report on school choice reform there seems to be a growing divide between the Labour model of alternative provision (used only to replace existing failing schools according to central government direction) and the opposition model of a looser demand-led system.<sup>78</sup> The BSF programme certainly does not meet a number of the criteria for genuine school choice outlined above. The free schools policy, by contrast, would create more diversity at a local level but would also create more surplus places in the system – something that the BSF programme is expressly mandated to avoid.

Indeed, a number of local authorities said that approval for their BSF programmes had been held up because of problems with academies. One wanted the BSF programme “decontaminated” of the academies programme. Another local authority, Knowlsey, said that having an academy within a plan of eight learning centres, was “inappropriate”. One head of children’s services said: “The academies are not yet a model, some are innovative, some are replications of old institutions. We had a precondition that we had good partnership working. The notion that one institution can provide everything as a learner is outdated.”

It would be possible, however, to join up the different systems in a looser fit if the BSF programme itself was reformed. If the programme becomes a building programme instead of a centralised planning system for surplus places and mandatory academies, the entire system could be freed up. There could, for instance, be competition between free school enthusiasts, academy sponsors and local authorities to build a new school in a particular area, guaranteeing more parental choice.

As Policy Exchange recommended in *A Guide to School Choice Reforms*, there should be an authoriser – or indeed multiple authorisers – for new free schools. The authoriser could be a local university, mayor or regional development agency. They could, in effect, be involved in the competition to open a new school, although there might need to be some involvement at central government level.

The competition route, as opposed to the current Conservative Party policy that a group of parents (perhaps as low as 40 in number) could automatically trigger

78 Meyland-Smith and Evans (2009), *A Guide to School Choice Reforms*, Policy Exchange.

a process leading to the potential establishment of a new school, would, in turn, guard against the problem of creating too many surplus places. This would help prevent the local authority being placed at a disadvantage, making it difficult for the authority to turn round a failing school with falling rolls.

It would also allow for some diversity of 'education vision' both at a local and national level, which would give parents choice when they are selecting which school they want their child to attend.

**Recommendation:** Building Schools for the Future should be replaced with a Building Education Estates fund, which would assist procurement of all education estates renewal, including academies and free schools.

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# 5

## Joining together capital budgets

The need to establish its mechanism for scrutinising PfS has become more urgent, now that their remit and budget has been increased. The Government announced in June 2009 that it intended to give PfS control over all capital spending for schools, including the Primary Capital Programme (PCP) that aims to rebuild or refurbish half of England's primary schools by 2022/3. The quango will become the "single gateway" and will lead discussion on any capital spending with local authorities, schools, the construction industry and private sector. This includes money for special projects such as new school kitchens and sustainable schools, as well as the ongoing capital spend on maintenance of schools. The new schools minister, Vernon Coaker, explained the shift in policy:

"BSF is now well established... thanks to Partnerships for Schools' management. Now is the time for its role to expand. It is plain common sense for all our capital programmes to now come under a single umbrella, including the Primary Capital Programme which has now started in earnest this year. Local authorities, schools and all our partners want one point of contact for all their school building work – and today's announcement will make all our programmes more effective, efficient, streamlined and accountable."<sup>79</sup>

DCSF stressed that it would "retain a Central Capital Unit providing policy advice to ministers that cuts across all the department's capital programmes." It said that the change "will make it easier to put in place consistent delivery models and standards and lead to better sharing of learning and good practice across the range of capital programmes. The changes will lead to improvements in effectiveness and economies of scale by centralising skills and processes."<sup>80</sup>

The biggest change is to the PCP, which until now has run successfully within the DCSF. The Government's launch document for the programme said its aim was to "create primary schools that are equipped for 21st century teaching and learning, and are at the heart of their communities with children's services in reach of every family".<sup>81</sup> The document stressed: "The investment will support the transformation of education, including raising standards and improving the life chances and well being of all children, the removal of surplus places, inclusion, Every Child Matters, and the provision of extended services for the local community."

Schools that do not benefit directly from the PCP will continue to receive funding via the devolved programme and, where appropriate, the targeted capital fund. The entire programme is expected to cost around £7 billion – far less than BSF. The initial funding started in 2005, and 23 pathfinder authorities started work in 2007.

79 Department for Children, Schools and Families (2009), *Partnerships for Schools to Manage All School Building Programmes*, Press Notice 2009/0110, see [www.dcsf.gov.uk/pns/DisplayPN.cgi?pn\\_id=2009\\_0110](http://www.dcsf.gov.uk/pns/DisplayPN.cgi?pn_id=2009_0110).

80 Department for Children, Schools and Families (2009), *Partnerships for Schools to Manage All School Building Programmes*, Press Notice 2009/0110, see [www.dcsf.gov.uk/pns/DisplayPN.cgi?pn\\_id=2009\\_0110](http://www.dcsf.gov.uk/pns/DisplayPN.cgi?pn_id=2009_0110).

81 Department for Education and Skills (2003), *Building schools for the future: a new approach to capital investment*.

The PCP has won praise from both educationalists and the private sector because it is a much less bureaucratic and ‘lighter touch’ programme than BSF. Although there is a requirement to send the DCSF a “Strategy for Change” document (which gives a description of the local area, an education vision and information on building condition, educational performance and other indicators), it is easier for local authorities to achieve and far less bureaucratic. It is forward thinking, with clear aims and objectives – such as what the investment will achieve after 14 years – but it is not top-heavy with expensive advisors, unlike the BSF programme.

Because less of the programme is being procured through PFI,<sup>82</sup> it has also been far more straightforward for local firms to build the primary schools. It is also seen as a fairer and more sensible programme because it allocated money to all authorities primarily on the basis of building need.

What is not clear, however, is whether the shift of the PCP to PFS will change that funding formula. What is clear, though, is that small and medium-size businesses, which have found BSF too expensive to engage in, are disappointed by the

move of PCP to PFS because they fear that they will now be cut out of this slice of the work as well.

A number of architects have made their disappointment clear, saying that small practices are bound to lose out and that there was a widespread feeling that deals were being sewn up. A senior figure in a facilities management firm agreed, saying that “doors are already

closing to SMEs as the Primary Capital Programme is folded into BSF.”

Tim Byles said: “We need to keep engaging well with smaller contractors because they have low overheads, and faster response times can be a very effective part of this picture of delivering.” However, we share the scepticism of many in the sector, and would urge that the Government to look again at the decision to needlessly divert a funding programme that was working perfectly well.

“ The PCP has won praise from both educationalists and the private sector because it is a much less bureaucratic and ‘lighter touch’ programme than BSF ”

### Co-location fund

In a move that will further cement the power of PFS, Ed Balls also announced allocations of £200 million for 101 projects across England under the co-location fund. Announced as part of The Children’s Plan: One Year On report in December 2008, it is also run by PFS.<sup>83</sup>

The projects funded include children’s centres, careers advice, youth clubs, health services (including mental health, drug and alcohol treatment centres), family support services, Combined Cadet Force facilities and independent housing for young people leaving care to help their transition into longer-term, more permanent accommodation.

It is reasonable to question whether PFS is the right body to carry out so many functions at once – with particular attention being needed on the issue of what impact the merging of so many different services into a headteacher’s role would have.

82 *Primary Capital Programme*, Teachernet website, see [www.teachernet.gov.uk/management/resources/financeandbuilding/capitalinvestment/guidanceindex/primarycapital/](http://www.teachernet.gov.uk/management/resources/financeandbuilding/capitalinvestment/guidanceindex/primarycapital/)

83 Department for Children, Schools and Families (2008), *The Children’s Plan: One Year On*, see [www.dcsf.gov.uk/oneyearon/ae/uploads/documents/flagship.pdf](http://www.dcsf.gov.uk/oneyearon/ae/uploads/documents/flagship.pdf).

**Recommendation:** The accountability framework for PfS needs to be reviewed in the light of its enlarged function and powers before a final decision is taken about whether the body should run the co-location fund.

## Building Colleges for the Future

Interestingly, plans to transfer responsibility for the frozen Building Colleges for the Future programme (BCF) that was responsible for Further Education colleges and fold it into BSF appear to have been shelved. Many observers and a number of our interviewees had suggested that, given the role of BSF in pushing forward the 14-19 agenda, it would be sensible if PfS took control of the failed BCF programme as well.

BCF collapsed early in 2009 after the Learning and Skills Council (LSC), another quango, granted approval to a number of college programmes without having the funding for them to go ahead. Sir Andrew Foster, who wrote a damning report castigating management failures at the LSC and the Government's poor grasp of the situation, called the crisis "critical and probably avoidable", adding: "A good policy has been compromised by the manner of its implementation."

An internal LSC report in February 2008 noted that if approval continued to be given to ever-bigger building projects, the capital budget would be overspent by £100 million. Instead of the Department for Innovation and Skills (DIUS) acting on this, the LSC carried on signing money to new schemes.

79 colleges that had been granted initial approval are now left in limbo. A further 65 colleges had been making preparations for initial approval and an additional £5 billion would be needed to cover these projects, but the bulk of the £2.3 billion allocated to BCF has already been committed.

DIUS was disbanded in 2009 and its work folded into Lord Mandelson's new Department for Business, Innovation and Skills that is now running the BCF programme. While PfS might not be clamouring for this beleaguered budget, it would seem sensible to hand over the programme (which is ready to be implemented) directly to them. Most college building plans are already drawn up (with some contractors already on site) and there is an opportunity to join up secondary school estate rebuilding with the 14-19 agenda. The co-location fund, which already rests with PfS, could also be used to drive forward that agenda. It is a far more natural enmeshing than of the secondary school estate with the primary capital programme.

Furthermore, it would drive forward 'interoperability' at a 14-19 level, with school students able to use college facilities and enabling students with so-called 'earned autonomy' to use college facilities and start the transition between school and college.

A number of college leaders have also made the point that the BSF and BCF programmes are in danger of duplicating the provision of expensive resources. 14-year-olds have more in common with 19-year-olds than 7-year-olds do with 14-year-olds as older pupils are more capable of being treated as independent learners - making it far more sensible to integrate these funding streams. In addition, this could assist schools in the BSF programme that are trying to increase their vocational offer to learners – a situation that has gained extra urgency given the dire state of the college building programme.

As the Select Committee concluded in its report on BSF in 2007: “In order to provide properly integrated secondary education in any given area, the funding systems in place should be designed to encourage working in partnership.”<sup>84</sup> In contrast, the primary school sector is working relatively well and the PCP has delivered funding where needed and does not require reform, or, indeed, an unwieldy delivery body. Although there is an argument for better transition between primary and secondary schools, the schools themselves are likely to remain separate (the move towards 3-19 schools, for example, is generally thought to be stalled). If only one of the two programmes should be joined up, it is far more sensible to join up secondary schools with colleges seeing as PFS was recently handed control over the Sixth Form college building programme). Bringing the PCP into the control of PFS has raised fears that will hurl a wrecking ball at the chances of SMEs to bid for work because the contracts are likely to get more and more unwieldy, not less. It is difficult to escape the conclusion that PCP is being folded in as part of PFS empire building programme.

**Recommendation:** the BCF programme for rebuilding Further Education colleges should be merged with the new schools building fund as a matter of urgency. The merger of the PCP should also be reviewed and should only continue if the new body commits itself to involving SME’s in the programme.

**Recommendation:** The new schools and colleges should continue to be procured on the current basis – a mix of PFI and capital spending. But, as local authorities will not be forced to procure so many complex projects at once, the legality of Smart PFI should be revisited

84 Education and Skills Select Committee (2007), *Sustainable Schools: Are we building schools for the future?*, p31.



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# 6

## Conclusion

The decision to renew, refurbish or rebuild the secondary estate had merit. The Labour Government deserves credit for creating a buildings fund that could achieve this aim in an equitable manner. However, the decision to couple the buildings programme with “educational transformation”, without clear definition of what that phrase meant in terms of educational reform at a school or local authority level, was a poorly conceived and fundamentally political move. As a result, money that could be spent on other means of raising standards is being squandered.

Pausing or scrapping BSF could be very damaging to what is already a fragile market with too few competing firms. Precious expertise and capacity in a market that is only just coming into its own would be lost and be difficult to replace. It would also create serious political problems as a number of local authorities have not yet entered the programme and the Government would effectively be endorsing a two-tier education estate.

Research shows that there is a clear link between poor buildings and poor achievement, and no one wants our children and teachers to continue to suffer in schools with broken heating systems, leaking roofs, poor toilet facilities and rotting woodwork. However, there is insufficient evidence that good building design alone will ramp up attainment and deliver the sort of systemic change that the Government is promising. Moreover, neither the experts in the sector nor the bodies running the programme seem able to give a clear definition of what ‘educational transformation’ actually means. This has caused considerable delays, as local authorities struggled to define an aim that the Government itself does not seem to understand. Given such opacity, it seems highly unlikely that this mission will be anything other than a failure. The resulting confusion is making a complicated programme even more unwieldy and expensive by fuelling a need for more and more advisers to enter the system.

Our recommendation is that BSF should evolve into a straightforward building education estate fund that does exactly what it says on the tin, without the political hyperbole. Under this model PfS would become a pure procurement vehicle: a role it has shown it can perform well, although there is still considerable room for improvement. To fit this new role PfS could be folded back into the DCSF. Our preferred option is that PfS continues, but loses its powers to intervene in local decision-making around education policy. The value for money and general performance of PfS must be kept under close scrutiny as the new capital fund will be worth at least £16 billion over two years – and more if the college estates fund is enmeshed. This makes PfS a ‘super-quango’ and, as such, its

powers and practices must be held to account. We are concerned by the extent of ill-feeling in the sector about PFS, by accusations of bullying from a number of local authorities and other well-informed sources, and comments from a number of very senior people involved in BSF that the body is intent upon boosting its power and control. The accountability framework for PFS must be reviewed by the Government in the light of its enlarged function and powers before a final decision is taken about whether the body should run the colocation fund. The role of PFS should also be considered at the same time.

Academies and free schools should be authorised separately, initially by the Department or under a free schools programme under local authorisers. Local authorities, academy sponsors and free school pioneers could then compete against each other to create and run new schools. As the authorities that have not entered the programme tend to be the higher performing ones, it could be argued that they do not have a pressing need to articulate a new education vision.

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# Full list of recommendations

## Educational transformation

There is no strong case for ‘educational transformation’ being part of this major building programme and it should therefore be stripped out of BSF, thus immediately simplifying what has become a complicated and bureaucratic beast. BSF should become a straightforward Education Building Estates fund. “Educational transformation” is a policy issue and, as such, responsibility for defining its role in school buildings should rest with the DCSF, not the delivery body.

## PfS

PfS should continue as a procurement body but lose its powers to intervene in local decision-making around education policy. The new capital fund will be worth at least £16 billion over two years – and more if the college estates fund is enmeshed. This makes PfS a super-quango and, as such, its powers and practices must be held to account. We are concerned by the extent of ill feeling in the sector about PfS, and by accusations of bullying from a number of local authorities. The accountability framework for PfS must be reviewed by the Government in the light of its enlarged function and powers.

The third evaluation of the BSF programme should ask local authorities about their view of PfS and its management of the BSF programme. This process should help to establish how widespread the tension is between local authorities and PfS and what steps could be taken to address it.

The role of 4ps in BSF (after it has completed its reorganisation) should be re-examined. 4ps has played a valuable role in advising local authorities on procurement and its role in the new Education Building Estates fund should be reviewed.

## PFI

Following the simplification of the BSF programme we recommend that PfS should be directed to take legal advice and consult the European Commission on the Smart PFI model to improve the procurement process.

## Consultation

Pupils, teachers, non-teaching staff, parents and governors should be involved in planning the redesign of their school at a far more intensive level. To this end, local authorities should fund at least one day during the planning process for teachers to discuss the design of the school. Pupils, parents and governors involved with the school should also be drawn into the process. Extending the work of the Sorrell Foundation should be also be given strong consideration.

## LEP

The role of LEPs and the potential extension of the role into larger infrastructure projects requires urgent scrutiny. The value for money of the LEPs should also be kept under a watchful eye.

## Feedback on BSF

Feedback and sharing ‘what works’ needs to be improved both by the Government and by PFS. Hence PFS should focus on making the ‘Community’ section of its website more easily accessible and ensure that this section becomes a forum for sharing good and bad practice rather than operating as a forum for marketing BSF.

## Teaching and learning

A significant proportion of the money saved from simplifying the BSF programme should be funnelled into a good quality programme of continuous professional development to help teachers use these new buildings. As we recommended in *More Good Teachers* it is essential that this training takes place in schools, where teachers learn best. This would be coupled with funding for better Assessment for Learning, benefiting both pupils and teachers.

## ICT

An expert review panel should draw up recommendations on the role of technology in secondary schools. This should be a wide-ranging review, looking at technology’s role in a wider “creativity” agenda. The role of music, books, drama and art should be considered at the same time.

The BSF ring-fenced budget for ICT should be replaced with a “creativity” budget which headteachers can spend in any way that they think boosts creativity in their school, including ICT and books.

PFS should remove the requirement for IT contractors to partner with a building contractor at the start of the bidding process. Instead IT contractors should negotiate separately with local authorities to run services.

The reliance on ICT managed services is not appropriate for all schools. PFS should ensure that the process of opting out is made more transparent and straightforward. In particular multi-academy sponsors must be able to opt out in favour of their own managed systems.

All schools and college ICT contractors should sign up to minimum standards of inter-operability between different systems. This process should be managed by Becta, which would address commercial confidentiality concerns.

## Sustainability

Detailed data collection on ICT use and rising energy bills in BSF schools should be made a mandatory part of the post-occupancy evaluations of new schools. Local authorities commissioning new schools should outline how they plan to keep ICT equipment charged and usable throughout the school day. The current drive for more ICT in schools conflicts with the drive for sustainability – all new schools are

supposed to be carbon neutral by 2016 but nobody thought that this will be possible. This conflict between two worthy goals needs to be resolved.

A number of new BSF schools should be selected for “soft landing” pilots, a process where the project team remains involved after handover of a new school for an agreed period to iron out issues and to fine-tune systems.

In 2003 the Government committed itself to renewing, rebuilding and refurbishing the entire secondary school estate in England under the Building Schools for the Future (BSF) programme. It is thought to be one of the largest and most ambitious building programmes in the world and is likely to cost the taxpayer around £55 billion. There was good reason for the project. The Audit Commission had released a report in 2002, dubbing the school estate a “maintenance time bomb” and estimating that a backlog of at least £7 billion worth of repairs had built up. But the Government wanted something with a grander legacy than functioning heating, toilets and roofs. Rather than just repairing and replacing inadequate buildings, the redevelopment of schools was put forward explicitly as a means of improving educational standards. BSF would not just be about building – it would be about “educational transformation”.

This report set out to investigate whether the BSF programme is delivering such transformation and offering value for money for schools, parents and the taxpayer. Our findings are based on interviews with more than 50 senior figures working on the BSF programme, including BSF managers, academics, practitioners, contractors, architects, educational consultants and local authorities, as well as the bodies involved in running the programme. We point to serious problems with both the programme’s aims and their delivery, and propose a model for a radically simplified school building programme that will deliver better buildings without the hyperbole.

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